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Asian Development Bank Borrows 15 Billion Yen

OW2602132891 Tokyo KYODO in English 0811 GMT 26 Feb 91

[Text] Manila, Feb. 26 KYODO—The Asian Development Bank (ADB) has borrowed 15 billion yen from a syndicate of Japanese banks led by the Bank of Tokyo to increase its ordinary capital resources, the ADB said Tuesday.

The loan comes in two parts of 7.5 billion yen each.

The first part will mature in seven years, with a variable interest rate based on the Japanese long-term prime rate reviewed semiannually, the bank said in a statement.

The second part, maturing in 15 years, has a maximum interest rate of 7.80 percent per year with an option to reset after two years. Interest on both parts is payable semiannually.

The latest borrowing from Japan, the ADB's fifth, brings to a total of 758.5 billion yen Tokyo's exposure to the Manila-based lending institution. Of the total, 451.9 billion yen remains outstanding.

Date Changed for South Pacific Leaders Forum

BK2502072391 Hong Kong AFP in English 0436 GMT 25 Feb 91

[Text] Suva, Feb 25 (AFP)—The 15-nation South Pacific Forum summit in the Federated States of Micronesia (FSM) has been brought forward to July 22-August 2 because of clashes in dates for other regional meetings later in the year, officials said Monday.

An agenda for the 22nd forum of the region's premier annual conference is yet to be fixed but regional issues like expanding trade and economic ties with ASEAN countries are expected to take centre-stage.

Another important issue is the admission of new post-forum dialogue partners like Taiwan and Germany.

China is trying to block Taiwan's inclusion in the conference, which also brings Japan, United States, Britain, France, Canada, China and for the first time this year the European Community into a special session to debate regional matters.

Environmental concerns like France's continued nuclear testing in its Pacific territories and implementation of a regional environmental treaty are also expected to be raised.

The FSM is a former U.S. trust territory.

FSM President John Haglelgam had said earlier he preferred the meeting to be around November to coincide with his country's independence celebrations.

But it had to be rescheduled because of "other meetings for both the forum and FSM", officials said Monday.

A pre-forum meeting of officials starts July 22-24, while the actual forum of government leaders is set for July 29-30.

The meetings at the chamber of the Congress of the Federated States of Micronesia are the first to be held in the Northern Pacific region.

Japan

Reportage on Postwar Reconstruction Aid for Gulf

Pledged Funds Not for Reconstruction

OW2802131191 Tokyo KYODO in English 1219 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—A top Foreign Ministry official said Thursday Japan's pledged 9 billion dollars in cash aid for the U.S.-led allied forces would not be used for reconstruction plans despite the early end to the Persian Gulf war.

The aid, which the House of Representatives approved Thursday, could be used for the cost of transporting troops back to their respective countries, he said. The official said Japan does not think any portion of the cash aid will be appropriated for postwar assistance.

On the issue of postwar reconstruction and assistance plans, the official said Foreign Minister Taro Nakayama will visit Washington to see Secretary of State James Baker when he returns from his scheduled trip to the Middle East.

The official also said Yukio Sato, director general of the ministry's Information Analysis, Research, and Planning Bureau, left for Washington on Thursday, while Deputy Foreign Minister Hisashi Owada is set to travel to the United States on Friday after finishing his current visit to Israel to discuss postwar cooperation with U.S. administration officials.

Kaifu: Funds May Go to Reconstruction

OW0103102291 Tokyo KYODO in English 1009 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—Prime Minister Toshiki Kaifu said Friday that Japan's pledged additional 9 billion dollars for the U.S.-led Allied forces may be partially used for reconstruction in the Persian Gulf region.

Speaking at the House of Councillors' plenary session, Kaifu said, "if any portion of the aid is left unspent, it will be appropriated for postwar assistance."

The aid, which the House of Representatives approved Thursday, primarily aims at helping nations which made up the multinational forces restore peace and stability in the Gulf region, Kaifu said.

He said the money will be funded through the Gulf Cooperation Council (GCC) for use in the fields of transportation, medical, and food supplies.

The prime minister made the remarks in response to questions by Koujin Katagami, a member of the opposition party Komeito.

On the isssue of postwar reconstruction and assistance plans, a top Foreign Ministry official said Thursday that Foreign Minister Taro Nakayama will visit Washington to discuss such matters with U.S. Secretary of State James Baker when he returns from his scheduled trip to the Middle East.

Funds 'Major Challenge'

OW2802182391 Tokyo KYODO in English 1228 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—Postwar reconstruction in the Persian Gulf region and other areas hit hard by the war is expected to take another big bite out of Japan's shrinking public finances.

Now that hostilities in the Gulf have been suspended, the Japanese Government has begun serious examination of its contribution to the restoration of the region and other areas hurt by the conflict, government sources said Thursday.

Finance Minister Ryutaro Hashimoto has said aid for reconstruction is a "separate matter" from Japan's additional 9 billion dollar pledge to the U.S.-led multinational forces arrayed against Iraq to support their war efforts. His comments seem to suggest that the government is basically willing to pledge more money to help rehabilitate economies ravaged by the war.

Total reconstruction costs in Kuwait alone are projected to top 100 billion dollars, part of which Japan will very likely be called on to pay.

Iraq's August 2 invasion of Kuwait, which forced many Asian workers to leave the country, has left some Asian economies severely bruised.

If Japan is asked to pay for the costs of restoring these economies as well, its reconstruction costs could spiral even higher.

"Germany's commitment to providing financial support to Eastern Europe makes Japan's role as a supplier of funds for postwar reconstruction even bigger," said a Finance Ministry official.

But procurement of the additional funds will be a major challenge for the government, which had a hard time scraping together the additional 9 billion dollar contribution to the allied forces and had to resort to heavy withdrawals from reserves.

Although the government will be able to come up with several hundred million yen, many analysts say the government will have to draw up a supplementary budget soon after its fiscal 1991 budget passes the Diet for it to pay for a substantial amount of the reconstruction costs.

A ruling Liberal-Democratic Party source said that the government may have to raise taxes on cigarettes and alcoholic beverages, thus indicating that taxpayers and consumers may ultimately have to foot the bill for the costs of reconstruction.

Nakayama on Post-War Contributions

OW2802170091 Tokyo NHK General Television Network Japanese 1220 GMT 28 Feb 91

[Interview with Foreign Minister Taro Nakayama by NHK newscaster Hatsuhisa Takashima; Nakayama speaks from unidentified location in Tokyo, Takashima is at NHK studio in Tokyo—live; from "NHK News 21" program]

[Text] [Takashima] Today, the government held a meeting of the Gulf Crisis Countermeasure Council composed of Cabinet members to discuss Japan's contributions following the end of the war. I will now interview Foreign Minister Nakayama. Mr. Foreign Minister, would you frankly tell me about your present feelings?

[Nakayama] Well, I sincerely hope that Iraq will unconditionally accept President Bush's offer for a cease-fire.

[Takashima] According to reports from Washington, Secretary of State Baker and President Bush are talking with British Foreign Minister Hurd. The French and German foreign ministers are also expected to visit Washington for talks. Thus, nations concerned will hold talks to discuss post-war matters, and I am a little concerned about Japan's participation in the talks. What is being discussed between Japan and the United States with regard to post-war reconstruction and other matters?

[Nakayama] Currently, Deputy Foreign Minister Owada is in Israel and Deputy Foreign Minister Watanabe is visiting nations in the Persian Gulf region. I myself talked with Secretary of State Baker by telephone today on various matters. During the telephone conversation, Secretary of State Baker told me that he hopes to hold talks with me when he returns home following his trip to nations in the Persian Gulf region. The Diet is now in session, and I want to visit the United States as soon as possible after a bill on the supplemental budget, which includes $9 billion in aid, is passed in the Diet. I plan to consult with Secretary of State Baker concerning how Japan should cooperate.

[Takashima] I have just heard remarks by American experts in the NHK Washington studio. Regarding the post-war reconstruction, the experts repeatedly said that money not from the United States, but from your nation of Japan, would play a great role. In view of their remarks, what contributions do you think Japan should make to reconstruction in the Middle East?

[Nakayama] Kuwait was a very rich nation with more than $100 billion in overseas assets. We do not need to consider providing financial cooperation to that country. I called in the Kuwaiti ambassador to the Foreign Ministry today. During the meeting with the ambassador, I asked him to inform us after consulting with his home government on what sort of cooperation Kuwait will expect from Japan.

The main question concerns the frontline nations suffering in the wake of Iraqi aggression. For example, Egypt, Jordan, Syria, and Turkey are suffering from the suspension of their trade and a sharp drop in the number of tourists. Those nations also are suffering from the cessation of foreign exchange remittances by their workers in Kuwait and from economic difficulties caused by refugees. We have to think of how Japan should cooperate with these nations with which it has thus far cooperated. Among other things, we must study what the nations in the Middle East are planning to do for the sake of the region. I think that the government must work out plans, while cooperating and consulting with the United States, Britain, and France, about how to cooperate with one another to secure the region's stability and economic development.

[Takashima] What do you think of aid for Iraq?

[Nakayama] With regard to aid for Iraq, I think the most important point perhaps lies in what attitude Iraq takes in returning to the international community. Since the UN resolutions, such as Resolution 674, involve the issue of its post-war... [Nakayama changes thought] wartime compensation, this will depend on the economic situation in Iraq itself. And through the UN Security Council, we will have to study various factors, such as the actual situation in Iraq. The Japanese Government, for its part, is not in a position now to talk about future cooperation with Iraq but will have to wait until after the study has been done. We are still entitled to a credit amounting to approximately $700 billion, which was accumulated through our past economic cooperation with Iraq. In this connection, in order to work out our future policy toward Iraq, it will be necessary to make a thorough study of the actual situation in Iraq, and I feel that only then can the government decide on our policy.

[Takashima] One more question. What do you think of the aid to various Asian nations?

[Nakayama] Well, concerning Asian nations, there are many countries that do not produce oil. For example, there are Sri Lanka, the Philippines, Bangladesh, and Pakistan. It is from these countries that many people had moved to Kuwait for their work. However, many of them are now back in their home countries. The situation is just the same as it was in Vietnam. These countries have suffered very serious economic damage. Japan has cooperative bilateral relations with them. In addition to the Middle East, the government also plans to provide as much cooperation as possible to these Asian nations to reduce their economic suffering.

[Takashima] This is my last question. Besides the money, the Middle East still faces numerous issues, including the Palestinian issue. What role can Japan play in resolving the political and diplomatic issues of the region?

[Nakayama] Well, as you know, the Palestinian issue in the Middle East is something that cannot be bypassed.

There is the question of how to resolve the Palestinian-Israeli issues well as other Arab issues related to this question. We have urged PLO Chairman 'Arafat, who holds the position of representing the Palestinians, to recognize the existence of Israel as a state, saying that we fully recognize the right of the Palestinians for self-determination to build their own state. We have also urged him to stop international terrorism, telling him that if peace is settled in the region, Japan would consider providing economic cooperation. Since the Palestinians are living in many nations of the Middle East, I think that the Japanese Government should give full thought to securing stability for them. Even though Iraq fired Scud missiles at Israel, which did not participate in the war, Israel exercised patience to prevent the war from spreading. We must also consider this point.

[Takashima] Thank you very much.

Abe Proposes Gulf Aid Plan

OW2802151191 Tokyo KYODO in English 1331 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—Former Foreign Minister Shintaro Abe on Thursday proposed establishing international funds to help restoration work in the Middle East and holding a regional conference on disarmament and arms control after the end of The Persian Gulf war.

The leader of the second largest faction within the ruling Liberal Democratic Party (LDP) demanded that Japan take the initiative in setting up the funds and provide 10 billion dollars to finance restoration in war-devastated nations, including Iraq.

Abe, one of several senior LDP members hoping to succeed Toshiki Kaifu as party president and prime minister, also proposed that Japan provide personnel for international peacekeeping activities in the Gulf region.

Hiroshi Mitsuzuka, secretary general of the Abe faction, announced the five-point restoration plan on behalf of Abe, who has been hospitalized since January 21 because of what his aides called a "A touch of cold." Before then Abe had been resting at home after spending September and November last year in hospital.

The announcement of the proposal was aimed at easing anxiety over Abe's health condition and showing the diplomatic capabilities of the former four-term foreign minister, political analysts said.

On February 14, former Finance Minister Kiichi Miyazawa, who is also widely regarded as a powerful contender for the LDP leadership, unveiled a four-point plan for postwar restoration and order in the Middle East. Miyazawa proposed setting up a Middle East fund with Japan making an annual contribution of at least 1 billion dollars.

Opposition Explores Contributions

OW0103003591 Tokyo KYODO in English 1420 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 (KYODO)—Japanese opposition parties Thursday launched their activities to explore ways for Japan to contribute to postwar restoration and peacekeeping operations in the Middle East.

The largest opposition, the Social Democratic Party (SDP), formerly known as the Japan Socialist Party, decided to send missions to the United States, the United Nations, Switzerland, India, China, and the Soviet Union around March 10 to discuss with each nation restoration works, refugee relief operations, and security affairs in the Middle East, SDP officials said.

The SDP, along with a minor party, the United Social Democratic Party, called for a meeting between ruling and opposition party leaders to discuss Japanese contributions for international efforts to rebuild and stabilize the Middle East.

The SDP will also call on the government to set up funds to finance restoration works in the war-torn nations in the region, according to the officials.

Komeito, the second largest opposition, will dispatch a delegation to Switzerland, Egypt, Jordan, and Saudi Arabia between March 5 and 10 to gather opinions on refugees and environmental destruction. Komeito will also call on the government to work out international restrictions on arms imports, party sources said.

Keigo Ouchi, chairman of the Democratic Socialist Party (DSP), the fourth ranked opposition, plans to meet Prime Minister Toshiki Kaifu on Friday and ask him to draw up Japanese contributions to postwar restoration projects as soon as possible.

The DSP will call for a dispatch of a nonpartisan delegation to the Middle East, according to party officials.

LDP Proposes Sending Engineers

OW0103081991 Tokyo KYODO in English 0639 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—A senior official of Japan's ruling Liberal Democratic Party (LDP) on Friday proposed sending engineers serving in the Self-Defense Forces to help in rehabilitation efforts in the Persian Gulf region.

The official, speaking on condition of anonymity, said the LDP is planning to seek support for the proposal from two centrist parties—Komeito and Democratic Socialist Party (DSP).

The LDP is considering revising an existing law on the sending abroad of rescue teams for major natural disasters, the official said.

Komeito, the second-largest opposition party, and the DSP have supported a government decision to contribute an additional 9 billion dollars toward the costs of the U.S.-led coalition which sent forces to the Gulf to eject Iraqi troops from Kuwait. Hostilities were suspended on Thursday.

But the main opposition group, the Social Democratic Party (formerly called the Japan Socialist Party), and the Japanese Communist Party have opposed the contribution, which is currently being debated in the opposition-controlled House of Councillors.

Komeito, a Buddhist-backed party, says it opposes giving the SDF any overseas mission.

Last year, as the crisis in the Gulf deepened, the government of Prime Minister Toshiki Kaifu sought to enact a bill aimed at dispatching noncombat personnel, transport aircraft, and supply ships from the SDF and the Maritime Safety Agency.

But the bill met strong opposition and was killed in November in the House of Representatives, the more powerful of the two houses of the Diet.

Earlier this year, Kaifu promulgated a new cabinet ordinance authorizing the use of SDF transport planes on refugee evacuation missions in the Middle East. But no such aircraft has so far been sent to the region.

Japan's postwar Constitution bans the use of force as a means of settling international disputes.

Firms Should Not 'Expect Windfalls'

OW0103041891 Tokyo KYODO in English 0304 GMT 1 Mar 91

[Text] Tokyo, March 1 (KYODO)—Cabinet ministers cautioned Japanese corporations Friday over their appetite for participation in postwar reconstruction in the Middle East.

Michio Ochi, director general of the Economic Planning Agency, told reporters it would be better for Japanese companies not to expect windfalls from the Persian Gulf war.

Ochi advised them not to draw criticism from other countries that they are trying to make profits out of the conflict.

He welcomed the end of the Gulf war and said it would have a favorable impact on the U.S. economy.

Eiichi Nakao, minister of international trade and industry, said Japanese corporations should not regard postwar reconstruction as a "business opportunity." The companies should refrain from taking any action which may draw criticism from overseas, he added.

Motoji Kondo, minister of agriculture, forestry and fisheries, said his ministry is checking inventories of wheat and canned and processed foods to see if it can cooperate in food aid for Gulf nations. He said the Foreign Ministry is studying what Japan can do to assist in postwar reconstruction in the region.

Aid Earmarked for Evacuees in Iran

OW0103094591 Tokyo KYODO in English 0902 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—Japan announced Friday it will provide 31 million dollars worth of emergency supplies for some 15,000 war evacuees in Iran, many having fled Iraq in the last days of the Persian Gulf war.

The funds will be used to supply blankets, kerosene stoves, electric generators, and vehicles to transport refugees in camps on the border with Iraq, officials said.

The money is part of a 38 million dollar donation Japan provided to the United Nations Relief Coordinators Office earlier this year in response to an international fund-raising campaign.

The number of evacuees in Iran was 15,076 as of February 26. Among them were some 6,000 Kuwaitis and Iraqis, and around 3,000 Sudanese, officials said.

The U.N. office estimates an additional 3,500 evacuees will cross the border, the officials said.

Bush, Kaifu Discuss Gulf, Future Cooperation

OW2802144291 Tokyo KYODO in English 1407 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—U.S. President George Bush expressed regret to Prime Minister Toshiki Kaifu on Thursday that radio Baghdad is continuing to broadcast propaganda even though military operations are over, a Foreign Ministry official said.

Bush made the comment in a telephone conversation with Kaifu shortly after Radio Baghdad said Iraq, not the United States, had ordered a ceasefire, the official said.

The announcement was made in a broadcast that blamed Bush for the bloodshed and said Iraq had triumphed in the four-day ground war.

Bush also told Kaifu he welcomes the planned dispatch of Foreign Minister Taro Nakayama to Washington in the near future to discuss the post-Persian Gulf war situation.

Kaifu praised Bush for his leadership and pledged to continue cooperating with the United States in a range of diplomacy initiatives.

"Many important issues remain unresolved and I would like to contribute as much as possible," Kaifu was quoted saying. He did not specify which issues he considers most pressing, the official said.

Kaifu also extended condolences to the bereaved families of allied soldiers who died in the Persian Gulf war.

Bush told Kaifu he wants to resume discussions regarding a visit by the U.S. President to Japan, originally planned for last fall but put on hold because of the war.

Sakamoto: Leave War Crime Decisions to Iraqis

OW2802130591 Tokyo KYODO in English 1209 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—The Iraqi people should determine Iraqi President Saddam Husayn's responsibility for war crimes, Japan's top spokesman said Thursday.

"The judgment of the Iraqi people is most important. Japan will establish its position after watching international opinion," Chief Cabinet Secretary Misoji Sakamoto told a news conference.

He said the issue was not discussed by the Gulf crisis taskforce, a group of 15 Cabinet members headed by Prime Minister Toshiki Kaifu.

The taskforce convened for 40 minutes earlier in the day to discuss the winding down of the Persian Gulf war following U.S. President George Bush's proposal for a ceasefire.

Sakamoto also said Japan plans to reopen its embassy in Kuwait as soon as possible.

Cash, Not Personnel Support for UN Gulf Corps

OW0103002291 Tokyo KYODO in English 1538 GMT 28 Feb 91

[Text] Tokyo, March 1 (KYODO)—Japan would contribute cash for a possible postwar U.N. peacekeeping force but would not send men because parliament has already rejected a bill to dispatch noncombat military personnel to the Persian Gulf, a senior Foreign Ministry official said Thursday.

The official said if the United Nations decides to replace the U.S.-led Allied forces with its own peacekeeping force in the future, Japan would extend financial support.

In past cases, such as after the Soviet pullout from Afghanistan and the Iran-Iraq war, Japan made voluntary payments in addition to its obligatory quota of contributions to the U.N. budget.

The official noted the possibility that the six Gulf Cooperation Council (GCC) nations, plus Egypt and Syria, which are now mulling postwar cooperation, might propose an Arab force to fulfill the U.N. peacekeeping mission.

He also said related U.N. officials are contacting some Scandinavian nations which keep forces for such missions on standby. In any case, there will be a need for Japanese payments and that must be considered, he said.

Japan, however, would not be requested by the U.N. to join the peacekeeping corps, the high-ranking official said, noting the Diet killing last fall of a bill to allow noncombat Self-Defense Forces (SDF) personnel to be sent to assist in cases of international conflict.

As for sending Japanese staff for relief work, the official said the ministry is considering the possibility of using a law concerning the dispatch of nonmilitary disaster relief teams.

Under this law Japan has previously sent personnel to areas hit by earthquakes and other natural disasters, such as Iran and the Philippines.

Keidanren To Raise Funds for UN Refugees

OW0103004791 Tokyo KYODO in English 1407 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 (KYODO)—The Federation of Economic Organizations (Keidanren) said Thursday it will raise over 1 billion yen from the private sector for a fund to support the United Nations High Commissioner for Refugees (UNHCR).

The Japan Chamber of Commerce and Industry (Nissho) and the Japan Association of Corporate Executives (Doyukai) will also take part in the promotion of the project.

During the day, Sony Corp. announced that it would contribute 3 million dollars to the fund.

The use of the fund will be decided after consultations with the current Un High Commissioner for Refugees, Sadako Ogata, who is the first Japanese ever assigned to the post.

For the time being, the fund will be used to aid Gulf war refugees.

Nakayama: Government To Demand Iraq Compensation

OW0103041791 Tokyo KYODO in English 0313 GMT 1 Mar 91

[Text] Tokyo, March 1 (KYODO)—Foreign Minister Taro Nakayama said Friday that Japan will demand compensation from Iraq for suffering and damage caused to Japanese residents and enterprises in Iraq and Kuwait.

Nakayama told reporters that it is only natural for Japan to demand compensation from Iraq for damage to assets of Japanese residents, resulting from Iraq's invasion of Kuwait last August 2.

Iraq agreed Thursday to accept all 12 United Nations Security Council resolutions, which include one calling for Iraq's responsibility for war reparations.

Nakayama also suggested that Japan may not have to send Self-Defense Forces [SDF] transport planes to the

Middle East to evacuate refugees fleeing from the war-torn region. He said Japan will dispatch SDF planes to the region at the request of the Geneva-based International Organization for Migration, and that the number of refugees is not large.

The government issued a provisional ordinance that would allow the dispatch of SDF transport aircraft to the Middle East to help evacuate refugees.

Iraq Trade Claims Recovery Chances Said 'Slim'

OW0103010391 Tokyo KYODO in English 1406 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 (KYODO)—Japanese trading company executives said Thursday chances are slim for the recovery of their trade claims from Iraq during the 1990s, regardless of whether Iraqi President Saddam Husayn's regime remains in power.

While the executives admitted that a considerable portion of their claims on Iraq are covered by the Japanese Government's trade insurance, they said it is unlikely the government will pay the full amount insured under the scheme.

Most of the major trading houses plan to set aside funds, starting with the March accounting period, to cover such losses.

Japan's entire trade claims on Iraq are estimated at 700 billion yen. Of the total, nine major trading companies account for 425.7 billion yen in combined claims.

Among the nine traders, Mitsubishi Corp. is owed 99 billion yen by Iraq, of which 70 percent is covered by the government's trade insurance, while Sumitomo Corp's claims amount to 95 billion yen with 80 percent insured. Marubeni Corp. is owed 81 billion yen, 90 percent insured.

Iraq had earlier agreed with Japan that 45 percent of the revenues from its crude oil exports to Japan be earmarked for repayment of trade debts, starting in December 1989.

When Iraq's interest payments to Japan were nearly completed, its August 2, 1990 invasion of Kuwait left the repayment plan up in the air.

Trading companies have begun filing trade insurance claims with the Japanese Government. But it is not known when the government may pay insurance money to such claimants, since the insurance account is heavily in the red.

Ambassador to Kuwait Preparing for Return to Duty

OW0103003091 Tokyo KYODO in English 1453 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 (KYODO)—Japan's Ambassador to Kuwait Tsuyoshi Kurokawa will go to the Saudi Arabian capital of Riyadh on Friday to stand by for possible resumption of duties at the evacuated Japanese Embassy in Kuwait city, Foreign Ministry officials said Thursday.

The embassy was abandoned by Japanese diplomats in the Emirate August 29 when they led a group of Japanese nationals to Baghdad.

Foreign Minister Taro Nakayama asked Kuwaiti Envoy to Tokyo 'Abd al-'Aziz 'Abd al-Latif al-Sharikh on Thursday about extending cooperation in the embassy's resumption. Electricity and other infrastructure of the facility have yet to be checked, the officials said.

Unlike the U.S, Britain, and other anti-Iraq Allied nations which are resuming embassy operations after checks by troops in Kuwait, Japan is asking Kuwaiti officials to check the Japanese Embassy's condition.

The officials said prospects remained uncertain of reopening the Japanese Embassy in Baghdad, evacuated January 15 before the Allied air raids on the Iraqi capital began.

No Monetary Policy Change Despite End of War

OW2802163391 Tokyo KYODO in English 1200 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—The long-awaited end of the Persian Gulf war could boost the Japanese economy, but will not affect the current tight monetary policy, Bank of Japan [BOJ] officials said Thursday.

"It will be a plus to the economy," said a senior central bank official, citing positive effects on corporate investment in plant and equipment, which has shown signs of a slowdown amid uncertainties over the Gulf conflict.

The official, who spoke on condition of anonymity, also counted on a possible boom stemming from postwar reconstruction projects in Kuwait and other Gulf economies hard hit by the war.

"That would be a stimulus to economic activity in Japan in the future whether it is direct or indirect," said the official.

Despite the fact it occurred far from Japan, the Gulf crisis has had considerable effects on the Japanese corporate state of mind, reducing confidence in the economy's direction and forcing many corporations to put capital spending plans on hold. And many government officials cautioned that if the war drags on longer, it would heavily dampen economic growth with Japan being pressed to give more money to the U.S.-led allies.

At the same time, BOJ Governor Yasushi Mieno and other central bank officials have said they have no intention of altering the current policy of watching the effects of past discount-rate hikes.

Central bank officials said a threat to domestic price stability would lessen after the ceasefire as oil prices would be stabilizing at lower levels. "It'll have a good

impact on prices," one official acknowledged. But he and others stressed that inflationary pressures from other factors remain strong and price movements must be watched carefully as in the past.

Private economists, while banking on an early discount-rate cut, agreed with the central bank officials on the benefits of the war's end to the economy.

Toru Miyazaki, chief economist at the Research Institute on the National Economy, said it is of significant importance that uncertainties caused by the war have been wiped out.

Its winding down, he said, should improve consumer confidence as well as corporate sentiment toward investment in plant and equipment.

USSR Urges Promotion of Cultural Relations

OW2802160091 Tokyo KYODO in English 1023 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—The Soviet Union called on Japan on Thursday to promote cultural relations between the two countries to strengthen friendship between the Soviet and Japanese people.

Soviet Culture Minister Nikolay Gubenko made the call in a press conference a day after arriving in Japan to promote the Soviet art festival here, marking the visit of Soviet President Mikhail Gorbachev to Japan scheduled for April 16-19.

Gubenko said the Soviet people hope Gorbachev's visit will help promote friendship and cultural relations between the two countries.

On April 16 and 18, The Soviet art festival, organized by the Soviet Culture Ministry and Soviet Art Festival Executive Committee, will present music concerts featuring top-ranking Soviet and Japanese pianists, violinists, and singers.

Newspapers and department stores will also take part in the festival by organizing Soviet art and photograph exhibitions, a Soviet fashion show, and performances by theater groups from the Soviet Georgia Republic.

Food, Transport Aid for Mongolia, Peru

OW0103084291 Tokyo KYODO in English 0805 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—Japan will provide Mongolia with 20 tons of flour, rice, sugar and powdered milk worth 5.6 million yen in emergency assistance, the Foreign Ministry said Friday. The government will pay for the transport of the supplies which will be donated by an organization affiliated with the Ministry of Agriculture, Forestry and Fisheries.

Parliamentary Vice Minister of Foreign Affairs Muneo Suzuki gave a list of the supplies to Mongolian Ambassador Daramyn Yondon in Tokyo the same day.

Mongolia is experiencing a shortage of food and medicine because of economic problems in its largest aid benefactor, the Soviet Union, officials said.

Meanwhile, the Japan's ruling Liberal Democratic Party (LDP) said it will present a gift of 1,000 trucks to Peru to help it tide over economic difficulties, LDP officials said. LDP Secretary General Ichiro Ozawa conveyed the decision in a telephone conversation with Peruvian President Albert Fujimori, the first foreign head of state of Japanese descent, officials said. A cargo ship with a load of the first batch of 550 trucks will leave Yokohama port Tuesday, they said.

Government Signs New Tax Accord With Bangladesh

OW0103001991 Tokyo KYODO in English 1459 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 (KYODO)—Japan and Bangladesh signed a new accord in Dhaka on Thursday aimed at avoiding double taxation and preventing evasion of income taxes, the Japanese Foreign Ministry announced.

The new accord, which replaces the existing one, is intended to adjust taxation rights between the two countries so as to avoid double taxation from arising in cases of economic and personnel exchanges, the ministry said.

The new pact is basically the same as the draft organization for economic cooperation and development model convention.

Right-Wing Ties to Nagasaki Shooting Suspected

OW0103064991 Tokyo KYODO in English 0545 GMT 1 Mar 91

[Text] Nagasaki, March 1 (KYODO)—Unidentified persons fired shots overnight at a courthouse and a newspaper office in Nagasaki, in what appear to be terrorist attacks in connection with a dispute over whether the late Emperor Hirohito had any responsibility for World War II, police said Friday.

Nobody was reported injured in the attacks and no group has claimed responsibility, police said.

Two bullet marks were found at the front entrance of the Nagasaki District Court and two more at the entrance of the Nagasaki Newspapers Co., publisher of the NAGASAKI SHIMBUN.

Investigators suspect that the firing of the shots is linked with a Nagasaki District Court decision on Monday, which rejected a suit filed by the right-wing group Seikijuku, asking for a court order to make the provincial newspaper carry an opinion ad.

The Seikijuku group had asked the NAGASAKI SHIMBUN to carry an opinion advertisement claiming that the late emperor, posthumously called Emperor Showa, had no responsibility for the war. The newspaper refused to carry the advertisement.

Kazumi Tajiri, 42, a member of the Seikijuku, was sentenced by the same court to 12 years imprisonment last December for shooting Nagasaki Mayor Hitoshi Motoshima in an abortive assassination attempt on January 18, 1990. Tajiri shot Motoshima in the back in front of the Nagasaki City Hall, after the mayor said that the late emperor was partly responsible for World War II.

Tajiri, who was found guilty of attempted murder and illegal possession of a handgun, has appealed to the Fukuoka High Court, which is yet to give a decision.

Motoshima was seriously injured and hospitalized for almost a month before he returned to work.

Finance Ministry Outlines Liberalization Plan

OW0103065891 Tokyo KYODO in English 0424 GMT 1 Mar 91

[Text] Tokyo, March 1 (KYODO)—The Finance Ministry has outlined its position on further liberalization of Japan's financial market in a proposal seen by analysts as a step toward eliminating demarcations between financial institutions.

The ministry presented the outline, consisting of 12 items, to the Financial System Research Council, an advisory panel to the finance minister, on Thursday. It proposed that the institutions be permitted to enter areas of business other than their own, normally through the establishment of specialized subsidiaries.

Under current Japanese law, ordinary commercial banks are prohibited from conducting trust banking and securities activities.

The ministry and the panel, however, have been studying possible reforms to meet the need for liberalization of the increasingly internationalized financial market.

Sources said a majority of the council members, including those representing the banking industry, basically agreed to the outline.

Earlier, the ministry had considered allowing the main body of banks and brokerage houses to engage in business other than their specialty in the case of large-lot transactions. This idea, however, has been dropped in the face of strong opposition from securities firms.

The latest proposal called for study to be made on allowing nonbank institutions, such as leasing and credit firms, to undertake financial transactions.

The plan, which proposes examining ways of diversifying managerial options open to financial institutions, implied the possibility of permitting specialized banks, such as long-term credit banks, to reform themselves into ordinary commercial banks. For this, legal revision would be necessary.

The proposal also said that conditions be made easier for foreign institutions to participate in the domestic market.

Concerning regional banks, the plan suggested that their main headquarters, but not necessarily their subsidiaries, be allowed to participate in other business areas to a limited degree.

The ministry is expected to draw up a final report by May, following further discussions at the advisory council, which is to hold its next meeting on March 14.

Data on 'Uptrend' in Foreign Exchange Reserves

OW0103090791 Tokyo KYODO in English 0839 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—Japan's foreign exchange reserves rose for the 10th month in a row in February, growing 454 million dollars to total 77,974 million dollars at the end of the month, the Finance Ministry said Friday.

The latest data confirmed continuation of an uptrend underway since May 1990, when reserves of convertible currencies, gold, and special drawing rights with the International Monetary Fund rose for the first time in five months.

The expansion apparently reflected lack of dollar-selling interventions by the Bank of Japan. According to currency dealers, the Japanese central bank has not appeared in the currency markets in recent months.

Japan's reserves fell sharply in the first four months of 1990 owing to heavy dollar-selling intervention by the central bank to support the yen.

Finance Ministry officials customarily refrain from providing specific reasons for changes in the nation's reserves.

MITI on 'Uncertainty' in Industrial Sectors

OW0103110691 Tokyo KYODO in English 0950 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—A sense of business uncertainty is spreading among Japanese industrial sectors, with a growing number of companies foreseeing an economic downturn, a report by the Ministry of International Trade and Industry (MITI) said Friday.

The Japanese economy is still on a path of steady growth, but a considerable number of companies forecast a downturn in the near future, the report said.

On the other hand, the impact of the Gulf war has been limited so far, and the supply-demand balance in the primary or secondary goods markets shows no signs of tightening, it said.

The report was based on a survey conducted in February, covering 150 companies in 19 nonfinancial industrial sectors.

The report said corporate fund-raising activities are plagued by the tight financial environment, which threatens to push down profits and dampen capital spending.

Also putting a drag on the economy is a distribution bottleneck due to labor shortage, congestion on roads, and moves in the distribution business toward more frequent delivery. The labor market remains tight, and will continue to batter the manufacturing industries by eroding the ranks of workers for assembly plants.

Corporate spending on plants and facilities, in the face of the high cost of borrowing money, will slow down considerably in such sectors as machine tools, engineering, housing, and in particular the leasing business, the report said.

Japanese Net Buyers of Foreign Securities in Jan

OW0103110791 Tokyo KYODO in English 1003 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—The Japanese were net buyers of foreign securities—bonds and stocks—in January, but trading was low as many investors stayed on the sidelines because of the Persian Gulf war, the Finance Ministry said Friday.

Domestic investors were net buyers of foreign securities for the third consecutive month, purchasing a net 6,259 million dollars worth.

Buying of U.S. mortgage-backed bonds and Eurocurrency bonds helped push up the Japanese net purchase figure of foreign bonds, which stood at 6,535 million dollars.

But Japanese investors were net sellers of foreign stocks, selling 276 million dollars more stocks than they bought, taking advantage of an overseas rally on share prices following the onset of the Gulf war on January 17.

Meanwhile, foreign investors were net buyers of Japanese securities. They bought a net 2,402 million dollars worth of Japanese stocks, while selling 108 million dollars more of bonds than they bought. This left them with a net 2,293 million dollars of purchases.

The ministry official attributed the selling of bonds by foreigners to the shrinkage of a gap between long- and short-term interest rates in Japan, leading them to switch their investment to the latter. The investment figures in bonds released by the ministry excludes short-term issues.

Launching of foreign bonds by Japanese residents dropped to 30 cases in January from 52 in December. The official said this was partly due to difficulty in raising funds domestically as the Gulf war put investors on the defensive. Issuance of bonds by foreigners in Japan also decreasd to three cases from seven the month before.

Direct investments by foreigners from April 1990 to January 1991 increased to 2,511 million dollars, up 34 percent from the April 1989 to January 1990 period. In contrast, those made by Japanese investors overseas, fell 7 percent from April 1990 to January 1991 to 49,210 million dollars compared with the corresponding period the year before.

Meanwhile, the ministry also announced foreign securities investment by Japanese investors in 1990 on country by country basis.

Domestic investors were net sellers of both U.S. stocks and bonds at 16,111 million dollars.

It was the first time since the ministry began the survey in 1981 that the Japanese became net sellers of U.S. securities. The ministry offical attributed this to such factors as the weaker dollar against the yen, the narrower difference in Japan-U.S. interest rates, and the weak U.S. economy. But the official said securities investment in the United States remains strong and expects it to stay that way in the future.

In 1990, Japanese purchase of securities in the United States amounted to 77.6 percent of all foreign securities, and 80.9 percent of sales were U.S. securities. Japanese investors were net buyers of foreign securities in 1990 by 39,455 million dollars. The figure includes foreign currency-denominated bonds issued by nonresidents in Tokyo, and is therefore not identical with the securities investment figure announced regularly by the ministry.

Vehicle Sales Fall 4.5 Percent From Last Year

OW0103084091 Tokyo KYODO in English 0826 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—Japan's domestic motor vehicle sales dropped in February for the fourth consecutive month in a year-on-year comparison, an industry association said Friday.

The Japan Automobile Dealers Association said in a preliminary report that new vehicle registrations in February totaled 474,160 vehicles, down 4.5 percent from a year earlier but up 48.4 percent from January.

The association attributed the decline, notably in the smaller car sector, to higher interest rates and lack of garage space in large cities.

Breaking down the figure, the association said sales of passenger cars fell 7.6 percent to 336,324 vehicles in February, though luxury cars were still in great demand. Sales of cars with an engine size of 2001 cc or more soared 40.7 percent to 43,865 vehicles, while those of smaller cars dropped 12.1 percent to 292,459, according to the report.

Sales of trucks totaled 136,216, up 4.0 percent from a year before. This is an all-time high for a single month, surpassing the previous high set in February 1990, the association said. Sales of buses posted a 2.1 percent increase to 1,620 vehicles.

Toyota Motor Corp. continued to hold the biggest market share, though its sales fell 4.8 percent to 200,399 vehicles, the report said.

Nissan Motor Co. was second with 116,614 vehicles, down 6.9 percent, followed by Mazda Motor Corp. and Mitsubishi Motors Corp., whose February sales were up 0.2 percent to 37,270 vehicles and up 10.4 percent to 35,366 vehicles, respectively.

Honda Motor Co. dropped to fifth, with a 13 percent decline in sales to 33,254 vehicles.

Steel Imports Top Exports lst Time in 29 Years

OW0103110991 Tokyo KYODO in English 0955 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—Japan's steel imports exceeded exports in January for the first time since January 1962, the Japan Iron and Steel Federation said Friday.

On a shipment basis, steel exports in the month rose 5.7 percent to 1,247,000 tons, while imports surged 29.9 percent to 1,252,000 tons, exceeding exports by 5,000 tons, a federation report said.

The report attributed the sharp increase in steel imports to a shortage of materials such as pig iron and steel billet, reflecting active manufacturing activity. Imports of pig iron in January jumped 81.4 percent from a year earlier to 363,000 tons and those of steel billet and semiprocessed steels climbed 54.3 percent to 150,000 tons.

An official of the federation said, "usually both exports and imports are rather small in January, compared with other months. This year, however, robust domestic demand promoted imports of iron and steel by electric furnace operators."

This may be a passing phenomenon, he said.

Production Said Boosted by Shorter Working Hours

OW0103111091 Tokyo KYODO in English 1020 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—An overwhelming majority of medium-sized and small companies have raised productivity by trimming working hours, according to a survey released Friday by a Labor Ministry Research Committee.

The survey quoted 93 percent of the firms as saying they had boosted productivity by shortening working hours.

Eighty-three firms out of 89 able to make the comparison trimmed an average of 2.3 working hours, resulting in a 7.8 percent gain in annual productivity, according to the survey. It calculated from this that a 1 percent decrease in working hours corresponds to an average 3.4 percent productivity increase.

The ministry called on Japanese companies to reduce annual working hours in view of criticism of their length by the U.S. and Western European countries.

Japanese companies had an average of 2,052 working hours in 1990, about 200 to 400 hours longer than their U.S. and West European counterparts.

Mongolia

Party 'In Deep Disarray'; Congress Continues

HK0103033491 Hong Kong AFP in English 0254 GMT 1 Mar 91

[Text] Beijing, Feb 28 (AFP)—Mongolia's Communist Party, in deep disarray after moving toward democracy, decided Thursday to prolong by a day a congress that started Monday to give itself more time to elect a new leadership, a Mongolian official reached in Ulaanbaatar said.

The Mongolian People's Revolutionary Party [MPRP], which has ruled the central Asian Soviet satellite for 69 years, had been scheduled to end Wednesday.

But the 407 delegates still needed to elect a secretary general and a new central committee.

Analysts said the extension reflected the current identity crisis within the party, which reacted to mass demonstrations last year by holding multiparty elections in June in which it retained a broad majority.

Observers reached by telephone in Ulaanbaatar reported that officials said the MPRP would not abandon Marxist-Leninism but could admit to "having made some errors" and that "a new model remains to be found."

The congress also failed Thursday to reach a decision on a second question: The recognition of two tendencies within the party.

"The congress wants to reach a decision on this question rather than leave it up to the Central Committee," a government spokesman was quoted as saying.

While there appears to be a split between reformers and conservatives in the party, the identities of the leaders of the two factions are not known.

New Chairman Elected

OW0103035591 Beijing XINHUA in English 0257 GMT 1 Mar 91

[Text] Ulaanbaatar, February 28 (XINHUA)—Budragchaagiyn Dash-Yondon was elected Chairman of

the Mongolian People's Revolutionary Party Central Committee at the party's 20th Congress which ended here today.

Dash-Yondon, 45, was elected to the Control Commission of the Party Central Committee in April, 1990 and became Central Committee Member and Member of the Central Presidium in November last year.

Natsagiyn Bagabandi, Badamdorjiyn Bathishig and Jigjidiyn Boldbaatar were elected as secretaries of the new Central Committee consisting of 99 people, and as members of the Central Presidium.

The other five of the nine-member presidium are Sanduyjabyn Dashdabaa, Dansengiyn Lundaijancan, Budsurengiyn Tumen, Lodongiyn Tudeb and Choyjilsurengiyn Purebdorj.

Byambyn Choyjilsuren became chairman of the Control Commission of the Central Committee comprising 33 members.

The congress, which opened on February 25, passed the amended platform and constitution of the Mongolian People's Revolutionary Party and a resolution on the report made by Gombojabyn Ochirbat, former chairman of the party Central Committee.

New Chairman Profiled

OW0103092091 Beijing XINHUA Domestic Service in Chinese 0637 GMT 1 Mar 91

[By XINHUA reporter Ba-Ta-Er-Cang (1572 1044 1422 0221): "Figure in the News: Budragchaagiyn Dash-Yondon, Chairman of the Mongolian People's Revolutionary Party Central Committee"]

[Text] Ulaanbaatar, 28 Feb (XINHUA)—The 20th Congress of the Mongolian People's Revolutionary Party [MPRP] which ended on 28 February elected Budragchaagiyn Dash-Yondon as chairman of its Central Committee.

B. Dash-Yondon was born in 1946 to a herdsman's family in Tsetserleg County, Hovsgol Province, northern Mongolia. After graduating from a high school in Hovsgol in 1964, he attended Mongolian National University, from which in 1968 he received the degree, deputy doctor of philosophy, specializing in history. From 1968 to 1974, he taught at his alma mater. He was an inspector for the MPRP Central Committee from 1978 to 1979, vice president of the Advanced Party School from 1979 to 1985, and deputy director and director of a department under the MPRP Central Committee from 1985 to 1990. He has been the chairman of the Ulaanbaatar City party committee since May 1990. At the Extraordinary MPRP Congress convened in April 1990, he was elected member of the MPRP Central Control Commission. At the Fifth MPRP Central Committee Plenum in November, 1990, he was elected member of the Central Committee and the Presidium.

North Korea

U.S. Statement on Mobilization 'Shameless Jargon'

SK0103061791 Pyongyang KCNA in English 0543 GMT 1 Mar 91

["Unpardonable Provocative Blast"—KCNA headline]

[Text] Pyongyang March 1 (KCNA)—The U.S. State Department in a statement said the order of the supreme commander of the Korean People's Army [KPA] to take a posture of combat mobilisation in face of the "Team Spirit 91" joint military exercises of the U.S. imperialists is an "oversensitive reaction" and that the U.S. Forces would counter any unexpected situation on the Korean Peninsula. Commenting on this, a news analyst of NODONG SINMUN today says:

This is a shameless jargon that fully reveals the true color of a robber and an unpardonable provocative outburst against us.

The commentary notes:

The "Team Spirit 91" joint military exercises launched by the U.S. imperialists are a vicious test nuclear war against us and a high-handed challenge to our Republic and people that are making every sincere effort for peace on the Korean Peninsula and its peaceful reunification and a perilous military adventure leading the situation on the Korean Peninsula to the brink of war.

The order issued by the supreme commander of the Korean People's Army to all the units of the KPA and the Korean People's Security Forces and all the members of the Worker-Peasant Red Guards and the Young Red Guards to keep themselves in preparedness for combat mobilisation is a legitimate self-defensive measure to cope with the new war provocation moves of the U.S. imperialists and the South Korean puppets and a peace-loving step from a to z. The U.S. talk about "oversensitive reaction" cannot be construed otherwise than revealing its own sinister intention. That is borne out by the outcry of the U.S. State Department that its troops would counter any "unexpected situation" on the Korean Peninsula. Truth to tell, this shows that the United States has already rounded off the preparations to invade the North in South Korea and intends to go into action any moment and particularly schemes to turn the "Team Spirit 91" joint military exercises into a real war.

The United States should immediately stop the "Team Spirit" joint military exercises, withdraw from South Korea its forces and nuclear weapons, the root cause of threat to peace on the Korean Peninsula, and take its hands of aggression and intervention off Korea.

'South Korean Puppet Army Soldier' Defects

SK0103095491 Pyongyang Domestic Service in Korean 0910 GMT 1 Mar 91

[Text] A South Korean puppet army soldier has defected to the northern half of the Republic.

Under the situation in which the spirit of the antigovernment and anti-U.S. struggle for national reunification and public sentiments longing for the northern half of the Republic have been an irrepressible tenor among the South Korean people, Kim Yu-chan, 23, private first class of the South Korean puppet army who belongs to the 4th platoon of the joint security guards of the UN Forces in Panmunjom, rejected his shameful puppet army life and defected to the northern half of the Republic across the Military Demarcation Line on the western front this morning.

Coming from Yongdungpo District, Seoul, he said he no longer wanted to live in the South Korean society, a U.S. colony, where the primary freedom and dignity of human beings are ruthlessly trampled underfoot and which has been changed into a living hell of human beings. He had endlessly yearned for the North's socialism in which all the masses enjoy happiness and welfare to their hearts' content without any anxieties about food, clothing, and housing as the true masters of the country under the rule of great President Kim Il-song and dear leader Mr Kim Chong-il.

He further said, disenchanted with the sickening puppet army life in which laborious duties and harsh discipline are forced, he conducted the heroic act of defecting to the North by crossing the Military Demarcation Line by taking advantage of a capital opportunity of his duty on the front.

He finds it difficult to hold back his pleasure with the realization of his wishes and dreams of nestling in the bosom of the Republic.

At present, he is being warmly protected by a competent organ.

KCNA Reports 26 Feb U.S. Exercises in South

SK0103064491 Pyongyang KCNA in English 0459 GMT 1 Mar 91

[Text] Pyongyang March 1 (KCNA)—The command of the U.S. Pacific Air Force staged a large-scale joint exercise of air strike at the targets in the strategic depth of the northern half of Korea on Feb. 26 in the sky above Tokjokdo, Chechon and Sosan, South Korea under the programme of the "Team Spirit 91" joint military maneuvers, according to military sources.

This exercise involved some 150 fighter-bombers, assault planes, reconnaissance planes and observation planes including F-16 and A-37 belonging to the U.S. Air force and the South Korean puppet Air Force. That day, the U.S. imperialists held an exercise of mid-air refuelling of 36 F-16 fighter-bombers in the sky above Chonju and Kwangju by bringing Guam-based KC-135 refuelling tankers to South Korea. They brought to Kunsan airport C-141 transport planes loaded with aggression troops and combat equipment for the "Team Spirit 91" and deployed formations of overseas-based F-16 and FA-18 fighter-bombers and pursuit-assault planes at Kunsan and Osan Airforce Bases on the same day.

Meanwhile, the South Korean puppets held an attack exercise against the North with ground units in Uijongbu and Pochon with the support of formations of F-16s and F-4s and mobilized formations of C-130 transport planes carrying "commandos" in a parachuting exercise in the sky above Seoul for an infiltration into the depth of the North.

The planes involved in the war exercises in the South Korean sky that day totalled about 630.

Resolution of U.S. MIA Remains 'Depends on' U.S.

SK0103071691 Pyongyang KCNA in English 0550 GMT 1 Mar 91

["Who Is To Blame for Failure To Solve Problem of GI's Remains"—KCNA headline]

[Text] Pyongyang March 1 (KCNA)—Some media of the United States are now spreading the rumour that the Democratic People's Republic of Korea is to blame for the failure to solve the problem of the remains of U.S. soldiers.

This is aimed at painting a reversed picture of our humanitarian stand toward it and distorting fact.

Ever since this issue was put on the order of the day we have consistently maintained our humanitarian stand to settle it with a good will.

As far as the issue of the remains of the U.S. war dead in Korea is concerned, it was raised at the request of U.S. congressmen and the U.S. public circles including the Korean war veterans society interested in it.

Taking the U.S. public concern into consideration, the competent organ of the DPRK conducted a tentative exhumation of GI's remains in 1987 and notified the U.S. authorities that the unearthed remains of five soldiers would be delivered to them.

The U.S. administration, however, deliberately created obstacles from the time of the delivery of the first remains, contrary to the request of the U.S. public.

Then the U.S. side had dragged on the time for more than two years on the pretext of the formalities of delivery before sending congressmen to take over the remains of five soldiers in May last year.

In the later period, the U.S. Administration has requested continued exhumation and delivery of remains, but its deeds were a far cry to it.

In September last year when we informed the U.S. Administration that the remains of 11 U.S. soldiers would be handed over to U.S. congressmen at Panmunjom according to the earlier formalities, we made an overture to form a body specializing in the unearthing and delivery of remains and proposed to hold negotiation over it.

The U.S. Administration gave no reply for more than a month before stating that it would take over the remains of eleven U.S. soldiers through the Military Armistice Commission which has nothing to do with this issue.

And it expressed a negative position to our proposal for setting up a body specialized in the exhumation and delivery of remains.

As everyone knows, the delivery of the remains of GI's under the Korean Armistice Agreement ended in November 1954, and the exhumation and delivery of remains today are outside the function of the Military Armistice Commission.

The U.S. side unilaterally postponed the contact at councillor level between the DPRK and U.S. Embassies in Beijing on February 21, which laid another hurdle in the solution of the problem of the remains of U.S. soldiers.

Facts clearly show that this problem has not been solved smoothly entirely because of the insincere attitude and position of the U.S. Administration.

Since the U.S. Administration takes such position as now, ignoring our humanitarian good will, we are not interested in the solution of the problem of the remains of U.S. soldiers.

Whether this problem is settled as required by the U.S. public circles, or not, depends on the attitude of the U.S. Administration.

Pyongyang Radio Reports End of Gulf War

SK0103143691 Pyongyang Domestic Service in Korean 1200 GMT 1 Mar 91

[Text] According to foreign news reports, the campaigns in the Gulf came to an end yesterday. As has already been reported, Iraqi President Saddam Husayn issued an order to the Iraqi Armed Forces to organizationally withdraw to posts where they had been stationed before 1 August 1990. Baghdad radio reported that according to this order, the Iraqi Armed Forces immediately began to withdraw from Kuwait with their military equipment and completed the withdrawal from Kuwaiti territory before the day broke on 27 February.

In his speech in the White House on 26 February, U.S. President Bush rejected the announcement of the withdrawal of the Iraqi troops from Kuwait and stated that the multinational forces would continue the war without weakening intensity.

The spokesman for the U.S. forces in the Gulf announced that multinational forces would continue their attacks on the ground, at sea, and in the air.

Foreign news agencies reported that after the withdrawal of the Iraqi troops from Kuwait on 27 February, the multinational forces led by the United States gradually expanded the scope of their ground operations into the border of Iraq and continued ground offensives, air raids, and missile attacks on Iraq. In this connection, many countries, including Middle and Near East countries, cried that the attack of the multinational forces exceeded the limits demanded by the resolution of the UN Security Council and that its goal lied in completely destroying Iraq.

In his TV speech yesterday, U.S. President Bush said that Kuwait was liberated and announced that all military offensives of the multinational forces would be stopped. REUTER has reported that the war between the multinational forces and the Iraqi troops, which had lasted for six weeks, came to an end at 1400 yesterday.

Over Baghdad radio, the spokesman for the Iraqi Army announced that an order to stop all campaigns had been issued.

Meanwhile, Iraqi Foreign Minister Aziz sent the UN secretary general and the chairman of the UN Security Council letters informing them that the Iraqi Government had decided to accept Resolution No. 660 of the UN Security Council and all UN resolutions concerning the Gulf crises.

Iranian Parliamentary Delegation Continues Visit

Meets People's Assembly Members

SK0103012491 Pyongyang KCNA in English 1543 GMT 28 Feb 91

[Text] Pyongyang February 28 (KCNA)—Talks between the delegations of the Supreme People's Assembly [SPA] of the Democratic People's Republic of Korea and the Consultative Assembly [Majlis] of the Islamic Republic of Iran were held at the Mansudae Assembly Hall today.

Present at the talks on our side were Yang Hyong-sop, chairman of the SPA; Paek In-chun, vice-chairman of the SPA and chairman of the Korea-Iran Friendship Parliamentary Group; Chong Song-nam, minister of External Economic Affairs; Yim kog-yong, first vice-chairman of the Fisheries Commission; Kim Kwang-chin, vice-minister of People's Armed Forces; Cho Kyu-il, vice-minister of Foreign Affairs, and other officials concerned.

Present on the opposite side were Mehdi Karrubi, speaker of the Consultative Assembly of the Islamic Republic of Iran; Akbar Torkan, minister of defence and armed forces logistics; 'Abdol Hoseyn Vahaji, minister of commerce; 'Abdol Vahed Mosavi Lari [name as received], member of the Parliamentary Presidium; Sadeq Sadeqi-Givi-Khalkhali, chairman of the Iran-Korea Friendship Parliamentary Group; 'Ali Mohammad Besharati, chief deputy minister of foreign affairs; Mohammad Ashrafi-Khozani-Esfahani, head of the Home Affairs Commission of the Consultative Assembly; Said Rajai-Khorasani-Kermani, head of the External Policy Commission of the Consultative Assembly; Mir Mehdi, deputy foreign minister, Akbar Ghofrollahi [name as received], vice- minister of defence and armed forces logistics; Mohammad Jafar Bahrami, deputy minister in charge of housing and railways of the Ministry of Road and Transportation, and other members of the delegation, and Hasan Dabir, Iranian ambassador to Korea.

At the talks the sides briefed each other on the situation of their countries and shared views on a series of matters of common concern including the matter of further strengthening and developing the friendly and cooperative relations between the two countries and parliaments.

A consensus was reached on the matters discussed at the talks that proceeded in a friendly atmosphere.

Talks With Yon Hyong-muk

SK0103012691 Pyongyang KCNA in English 1550 GMT 28 Feb 91

[Text] Pyongyang February 28 (KCNA)—Yon Hyong-muk, premier of the Administration Council, met at the Mansudae Assembly Hall today with a parliamentary delegation of the Islamic Republic of Iran led by speaker Mehdi Karrubi and had a conversation with it in a friendly atmosphere when it paid a courtesy call on him.

Present there were Chong Song-nam, minister of external economic affairs, other officials concerned and Iranian ambassador to Korea Hasan Dabir.

Mehdi Karubi said that Iran and Korea have particular, friendly relations for they have supported and cooperated with each other in the long struggle for independence against imperialism.

He stressed the need to further strengthen friendship and cooperation with the DPRK in politics, the economy and all other domains in the future.

Attends Reception

SK0103061691 Pyongyang KCNA in English 0512 GMT 1 Mar 91

[Text] Pyongyang March 1 (KCNA)—Speaker of the Consultative Assembly of Iran Mehdi Karrubi who is heading an Iranian parliamentary delegation on a visit to Korea arranged a reception Thursday evening. Present there on invitation were Vice-President Pak Song-chol, Vice-Premier Kim Tal-hyon, chairman of the Supreme People's Assembly [SPA] Yang Hyong-sop, Vice-Chairman of the SPA and Chairman of the Korea-Iran Friendship Parliamentary Group Paek In-chun, Minister of External Economic Affairs Chong Song-nam, Minister of Commerce Han Chang-kun, First Vice-Minister of Foreign Affairs Kang Sok-hu, First Vice-Chairman of the Fisheries Commission Yim Kuk-yong, Vice-Minister of People's Armed Forces Kim Kwang-chin and other officials concerned. Present there were Iranian Ambassador to Korea Hassan Dabir and the members of the Iranian parliamentary delegation. Speaker Mehdi Karrubi and Chairman Yang Hyong-sop spoke at the reception.

Mehdi Karrubi said in his speech: Since the victory of the Islamic revolution in Iran, many high- level delegations of the Islamic Republic of Iran have visited the Democratic People's Republic of Korea, and the visit to Korea of his Eminence Khamene'i, the leader of the Islamic revolution, was a visit of particular significance in further developing in scope the relations between the two countries. We hope that Korea will be reunified in conformity with the will and desire of the Korean nation and that all the Korean people will lead a stable life for progress and prosperity in peaceful circumstances. The reunification of the Korean Peninsula is the fundamental factor for happiness and independence of the Korean nation. We are sure that the excellent relations of friendship and cooperation existing between the Islamic Republic of Iran and the Democratic People's Republic of Korea will further strengthen and develop with each passing day and the two countries will use all possibilities to develop these friendly relations to a higher stage. I consider that our current visit to your country will be conducive to bringing closer the ties between our two countries which stand for anti-imperialist independence. I am convinced that the good relations between our two parliaments will, no doubt, exert particular salutary effect on the strengthening of friendly relations between the governments and peoples of the two countries.

Yang Hyong-sop said: This time, we had talks and meetings with friends from Iran on issues of mutual concern including the further expansion and development of the friendly and cooperative relations between the two countries. I think this marked a very useful occasion in making closer the friendly and cooperative relations between our Supreme People's Assembly and the Consultative Assembly of Iran and consolidating and developing the bonds of friendship and cooperation between the two countries. The present complex international situation makes it incumbent upon us to strengthen in every way the friendship and solidarity between Korea and Iran which are advancing along the road of independence against imperialism. This will contribute to strengthening the unity and solidarity among the developing countries.

Yang Hyong-sop stressed that the Korean people will as ever firmly stand on the side of the friendly Iranian people and invariably support their just cause.

The reception proceeded in a friendly atmosphere.

Yang Hyong-sop Banquet Speech

SK0103095991 Pyongyang Domestic Service in Korean 2300 GMT 27 Feb 91

[Speech by Yang Hyong-sop, chairman of the DPRK Supreme People's Assembly, at a banquet arranged by the Supreme People's Assembly for a visiting Iranian delegation neaded by Consultative Assembly Speaker Mehdi Karrubi at the People's Hall of Culture in Pyongyang on 27 February—read by announcer]

[Text] I warmly welcome once again the visit to our country by the parliamentary delegation of Islamic Republic of Iran which came with a sense of goodwill toward our people.

A number of parliamentary delegations from our two countries frequently visited each other in the past. Your visit to our country this time clearly shows that the bonds of friendship and cooperation between the peoples of the two countries are further expanding and developing with the passage of time.

We treasure the friendship which has been firmly forged with the Iranian people in the common front of the anti-imperialist cause for independence. We take pride in having the Iranian people as our intimate friends.

Today the Iranian people, under the correct guidance of His Excellency Said 'Ali Khamene'i, leader of the Islamic revolution, are registering enormous achievements in the struggle to defend the gains of the revolution and the past reconstruction and the fulfillment of the First Five-year Plan, courageously smashing the U.S.-led imperialists' moves of aggression and intervention against Iran.

We regard all achievements of the Iranian people as our own and believe that they will have greater successes in the future struggle to build an independent and prosperous, new Iran.

Today world peace and security are gravely endangered by the imperialists' moves of aggression and war.

From the outset of the Gulf crisis, we opposed Iraq's invasion and annexation of Kuwait and demanded the withdrawal of the Iraqi troops from Kuwait.

At the same time, we opposed the war started by the United States after massing armed forces in this region, taking advantage of the Gulf crisis.

Some days ago, President Sadaam Husayn clearly manifested the position that Iraq would unconditionally withdraw its troops from Kuwait. This provided a good opportunity of ending the war and peacefully solving the Gulf crisis.

However, the United States escalated the war into ground battles, aggravating the Gulf crisis.

We hope that all military actions will be stopped at once in this region and that the Gulf crisis will be solved peacefully as soon as possible.

The Iranian Government and people are doing their best to end the war and ensure a durable peace and security in the Gulf area. We express firm solidarity with them.

We actively support the five-point peace plan advanced by the respected Your Eminence Speaker Mehdi Karrubi to end the Gulf war.

Today our people are continually and vigorously waging the sacred struggle for building our own-style of man-centered socialism and for national reunification by upholding the great leader Comrade Kim Il-song's New Year address this year and under the wise leadership of dear Comrade Kim Chong-il. Upholding the banner of the chuche idea, our people are registering constant upsurges on all fronts of socialist construction by accelerating the three revolutions—ideological, technological and cultural.

Our government and people are making all sincere possible efforts to achieve peace and peaceful reunification of Korea. The method of achieving national reunification in the manner of confederal system based on one nation, one state, two systems and two governments, which was put forward by the great leader Comrade Kim Il-song in his New Year address this year, corresponds to the realities in our country and to the trend of the current time. This method aroused the full support and sympathy of all world people.

The U.S. imperialists and the South Korean puppets put South Korea under an emergency wartime system with the outbreak of the Gulf war and are again extensively staging the Team Spirit-91 joint military exercise.

The Team Spirit-91 joint military exercise is a criminal aggressive war exercise designed for comprehensive nuclear war on the Korean Peninsula. This is a dangerous act, like playing with fire, that is destroying peace on the Korean Peninsula, and cannot be otherwise. The adventurous Team Spirit-91 joint military exercise of the United States and the South Korean authorities have created a grave situation in our country where a war may break out.

To cope with this situation, the supreme commander of the Korean People's Army [KPA] issued an order to all units of the three branches of the KPA and the Korean People's Security Forces, the members of the Worker-Peasant Red Guards and the Young Red Guards to keep themselves in full combat readiness with heightened revolutionary vigilance. This is a legitimate self-defense step to cope with the moves of the United States and the South Korean puppets to provoke a new war.

If the United States and the South Korean authorities start a war of aggression against our Republic, our

revolutionary armed forces and the entire Korean people will rise up as one man and fight in defence of the inviolable socialist fatherland.

Today the U.S. imperialists constantly adhere to adventurous nuclear war exercise even while talking about the end to the coldwar and the coming of the era of peace. This clearly shows that there is no change in the aggressive nature of the U.S. imperialists and in their intention to threaten small nations by means of armed forces and to militarily control them.

With no desperate offensive can the enemy break the stamina and spirit of our people who are single-heartedly united behind the great leader Comrade Kim Il-song and dear Comrade Kim Chong-il.

We will achieve the cause of national reunification without fail in the 1990's by removing the tradegy of national division.

Availing myself of this opportunity, I again express deep thanks to the Iranian Government and people, who always extend full support and solidarity with socialist construction in our country and with our people's cause for national reunification. We will make all efforts to further consolidate and develop friendship and cooperative relations in the future in compliance with the spirit agreed on between the leaders of the two countries. If our two countries maintain close ties of friendship and cooperation under the ideal of independence, peace, and friendship, and develop economic and trade relations, we will achieve common prosperity and progress and greatly contribute to the cause of peace in Asia and the world.

I believe that the visit to our country by the parliamentary delegation of the Islamic Republic of Iran led by the respected Your Eminence Speaker Mehdi Karrubi will be successful. I wish everlasting friendship and unity between the Korean and Iranian people and good health and long life of His Excellency Said 'Ali Khamene'i, respected leader of the Iranian revolution. I wish the good health and long life of the respected His Excellency President Akbar Hashemi-Rafsanjani.

I wish the good health and long life of Comrade Kim Il-song, the great leader of our people. I wish the good health and long life of dear leader Comrade Kim Chong-il. I wish the good health of the respected Your Eminence Speaker Mehdi Karrubi. I wish the good health of all comrades and friends present here.

Presents Gift for Kim Chong-il

SK0103120791 Pyongyang KCNA in English 1049 GMT 1 Mar 91

[Text] Pyongyang March 1 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by Mehdi Karrubi, speaker of the Consultative Assembly, on an official goodwill visit to Korea.

The gift was handed to Chairman of the Supreme People's Assembly Yang Hyong-sop by Speaker Mehdi Karrubi.

Meets Kim Il-song

SK0103121191 Pyongyang KCNA in English 1046 GMT 1 Mar 91

[Text] Pyongyang March 1 (KCNA)—The great leader President Kim Il-song today received the visiting parliamentary delegation of the Islamic Republic of Iran led by Speaker Mehdi Karrubi.

Present on the occasion were Minister of People's Armed Forces O Chin-u, Vice-Premier of the Administration Council Kim Tal-hyon, Chairman of the Supreme People's Assembly Yang Hyong-sop, Minister of External Economic Affairs Chong Song-nam, First Vice-Minister of Foreign Affairs Kang Sok-chu and officials concerned.

Present there were also Hassan Dabir, Iranian ambassador e.p. [extraordinary and plenipotentiary] to Korea, and his embassy officials.

President Kim Il-song had a talk with the guests in a cordial and friendly atmosphere.

He received a gift from the Iranian speaker.

He gave a luncheon for the guests.

Foreign Minister Kim Yong-nam Visits Tanzania

Arrives 19 Feb

SK2302023991 Pyongyang Domestic Service in Korean 1300 GMT 21 Feb 91

[Text] Kim Yong-nam, vice-premier and foreign minister, and his entourage arrived in Dar es Salaam, the capital of Tanzania, on 19 February for a visit to this country.

Ahmad Hasan Diria, Tanzanian minister of foreign affairs and international cooperation and chairman of the Dar es Salaam Committee of the Tanzanian Revolutionary Party, other relevant persons, and our country's ambassador to this country and embassy staffers greeted the foreign minister and his entourage at the airport.

The foreign minister met with reporters at the airport. That day, the foreign minister and his entourage departed Maputo, winding up their visit to Mozambique.

At the airport, Mozambican Foreign Minister Pascoal Manuel Mocumbi, other relevant persons, and our country's ambassador to this country and embassy staffers bade farewell to the foreign minister and his entourage. The foreign minister met with reporters at the airport.

Meets President Mwinyi

SK2402090591 Pyongyang KCNA in English 0838 GMT 24 Feb 91

[Text] Pyongyang February 24 (KCNA)—Tanzanian President Ali Hassan Mwinyi met Korean Vice-Premier and Foreign Minister Kim Yong-nam on February 21.

The Korean foreign minister conveyed greetings of President Kim Il-song and Comrade Kim Chong-il to President Ali Hassan Mwinyi.

The president expressed deep thanks for this and asked the foreign minister to forward his greetings of boundless, best wishes to President Kim Il-song and Comrade Kim Chong-il.

He stressed that the friendly relations between Tanzania and Korea are developing favorably with every passing day on a solid basis.

Tanzania fully supports the stand of the Democratic People's Republic of Korea toward national reunification, he said.

The talk proceeded in a friendly atmosphere.

Dar es Salaam Radio Reportage

WA2202184391

For Dar es Salaam Radio reportage on the visit to Tanzania by Foreign Affairs Minister Kim Yong-nam, please see the East Africa section of the 22 February and subsequent issues of the Sub-Saharan Africa DAILY REPORT.

Kim Yong-nam Meets Ethiopian President

SK0103064291 Pyongyang KCNA in English 0504 GMT 1 Mar 91

[Text] Pyongyang March 1 (KCNA)—Ethiopian President Mengistu Haile-Mariam on Feb. 23 when he met DPRK Vice-Premier and Foreign Minister Kim Yong-nam expressed support to the Korean people's cause for national reunification, saying the proposal for reunification through confederation put forward by the Democratic People's Republic of Korea is the wisest, realistic and reasonable one.

Calmell Solar, national secretary general of the Popular Action Party of Peru, on Feb. 22 when he met the DPRK Ambassador to Peru said that the great President Kim Il-song is an outstanding man who has accomplished great exploits sharing with the people bitters and sweets.

The industrious and great Korean people have developed the country with their own efforts and technology and the success of Korea was made by dint of the cohesion and unity of the party and the people, he said. He stressed that Korea should be reunified without fail.

Choe Kwang Leads Military Delegation to Cuba

SK2602113991 Pyongyang KCNA in English 1044 GMT 26 Feb 91

[Text] Pyongyang February 26 (KCNA)—A military delegation of the DPRK led by Choe Kwang, member of the Political Bureau of the Central Committee of the Workers' Party of Korea and chief of the General Staff of the Korean People's Army [KPA], left here today for a visit to Cuba. It was seen off at the airport by General Chon Mun-sop, Colonel General Yi Pong-won, Colonel General Cho Myong-nok and Admiral Kim Il-chol of the KPA and Cuban Ambassador Juan Jose Leon Vega and the military attache of the Cuban Embassy, Minister-Councillor Boris Morozov and the military attache of the Soviet Embassy here.

Soviet Military Attache Hosts Army Day Banquet

SK2302053191 Pyongyang Domestic Service in Korean 1500 GMT 22 Feb 91

[Text] On the occasion of the 73d anniversary of Soviet Army and Navy Day, Pavel Doroshenko, military attache in the Soviet Embassy in our country, arranged a banquet at Ongnyugwan on the evening of 20 February.

Invited guests there were Chon Mun-sop, general of the Korean People's Army, Kim Il-chol and Yi Chong-sang, colonel generals, other generals and officers, and military attaches of the embassies of various nations in our country.

Soviet Ambassador Aleksandr Kapto and embassy members attended the banquet. Speeches were made at the banquet.

The attendees at the banquet toasted the militant friendship and unity between the two peoples and two Armies of Korea and the Soviet Union, to good health and long life of great leader Comrade Kim Il-song, to good health and long life of dear leader Comrade Kim Chong-il, and to good health and long life of respected Comrade Mikhail Sergeyevich Gorbachev.

Film Shown on Occasion of Soviet Army-Navy Day

SK2802051691 Pyongyang KCNA in English 0502 GMT 28 Feb 91

[Text] Pyongyang February 28 (KCNA)—The Central Committee of the Korean-Soviet Friendship Society arranged a film show Wednesday on the occasion of the 73rd anniversary of the day of the Soviet Army and Naval fleet.

Invited there were Minister-Councillor Boris Morozov, the military attache and officials of the Soviet Embassy here.

Present there were O Kil-pang, vice-chairman of the C.C. [Central Committee], the Korean-Soviet Friendship Society, other officials concerned and working people in the city.

The attendants saw a Soviet feature film.

Party Central Committee Sends Greetings to MPRP

SK2502053991 Pyongyang KCNA in English 0518 GMT 25 Feb 91

[Text] Pyongyang February 25 (KCNA)—The Central Committee [CC] of the Workers' Party of Korea [WPK] sent a message of greetings on February 24 to the Central Committee of the Mongolian People's Revolutionary Party [MPRP] on the occasion of the 20th congress of the MPRP and the 70th anniversary of its founding.

Warmly congratulating MPRP upon its 20th congress and the 70th anniversary of its founding, the message wished the MPRP new success in its future work.

Pak Song-chol Receives Romanian Ambassador

SK0103044191 Pyongyang KCNA in English 1549 GMT 28 Feb 91

[Text] Pyongyang February 28 (KCNA)—Vice-President Pak Song-chol today met and had a talk with Romanian Ambassador to Korea Aureliu Ioan Lazar who paid a courtesy call on him at the Mansudae Assembly Hall.

Meeting Marks Anniversary of 'Popular Uprising'

SK0103043191 Pyongyang KCNA in English 1532 GMT 28 Feb 91

[Text] Pyongyang February 28 (KCNA)—A Pyongyang meeting marking the 72nd anniversary of the March First popular uprising was held today.

The March First popular uprising in 1919 was an all-people anti- Japanese resistance in which the Korean people turned out and courageously fought to retake the country which was trampled underfoot by the Japanese imperialist aggressors and restore the national sovereignty.

In his report Yu Ho-chun, director of the Secretariat of the Central Committee of the Democratic Front for the Reunification of the Fatherland [DFRF], said that through the whole course of the March First popular uprsing the Korean people fully demonstrated at home and abroad that they were resourceful and courageous people fighting to a finish in defence of their national dignity and sovereignty, not wanting the miserable life of a ruined nation.

Although 72 years have passed since the uprisers shed blood in the patriotic uprising, the desire of our people for national sovereignty has not yet been realized in the other half of their territory due to the U.S. imperialists' occupation of South Korea, he said, and continued:

The U.S. imperialists are trying more frantically to realize the aggressive design for domination over the whole of Korea by taking advantage of the imbalance of forces in international relations, entering the 1990s.

The "Team Spirit 91" joint military exercises being staged by the United States and the No Tae-u group, timing to coincide with the Gulf war, are not mere annual defensive exercises but provocative offensive exercises fraught with a grave danger and a preliminary war and test nuclear war motivated by their reckless multiple war strategy to provoke a second Korean war by spreading the flames of war they kindled in the Middle East to the Korean Peninsula.

The dark clouds of nuclear war posing threat to the existence of the nation are heavily hanging over Korea and a grave hurdle is lying in the way of inter-Korean high-level talks and other North- South dialogues due to the adventurous war game of the U.S. iperialists.

Under this situation, the supreme commander of the Korean People's Army on February 26 ordered all the units of the Korean People's Army and the Korean People's Security Forces and the entire members of the Worker-Peasant Red Guards and the Young Red Guards to keep themselves in combat preparedness.

This is a legitimate self-defensive measure to cope with the new war provocation moves of the United States and the South Korean puppets.

He further said:

The South Korean authorities refuse to accept our reunification- oriented proposal for United Nations membership and try to enter the world body unilaterally.

This is a downright challenge to the nation's will for reunification and a move to keep the nation divided by legitimating "two Koreas" in the international community.

It is the most urgent national task of the Korean people to force the U.S. imperialist aggression forces out of South Korea, establish the nation's sovereignty and reunify the divided country.

If the United States truly wants peace and peaceful reunification of the Korean Peninsula, it must pull its troops and nuclear weapons out of South Korea, refrain from laying artificial obstacles in the way of inter-Korean dialogues and come out to the DPRK-US talks at an early date for concluding a peace agreement with the DPRK.

The South Korean authorities must refrain from repressing the just patriotic struggle of the South Korean people for independence, democracy and reunification, impeding the North-South dialogues and making dangerous acts of increasing the tensions on the Korean Peninsula with aggressive nuclear war exercises and harsh fascist repression and must immediately stop the adventurous "Team Spirit 91" joint military maneuvers and release all the pro-reunification, pro-democracy patriots including coed Yim Su-kyong.

KCNA Review of 1 March Pyongyang Press

SK0103075891 Pyongyang KCNA in English
0522 GMT 1 Mar 91

[Press review]

[Text] Pyongyang March 1 (KCNA)—Papers here today report that certificates of honorary citizenship and keys of Antsirabe for the great leader President Kim Il-song and dear Comrade Kim Chong- il were conveyed at a mass rally held in Antsirabe, Antananarivo Province, Madagascar.

NODONG SINMUN carries news that Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received a message in reply to his message of greetings to Gnassingbe Eyadema, president-founder of the People's Rally and president of the Republic of Togo, on the national day of Togo.

"On correctly understanding the originality of Kimilsungism," a work of Comrade Kim Chong-il, was brought out in booklet by the J.B. Publishing House of Denmark, says the paper.

MINJU CHOSON says in an article that Comrade Kim Chong-il wisely led the construction of the Namhung youth chemical complex, a leading chemical industry base of the country.

NODONG SINMUN introduces the reminiscences of anti-Japanese revolutionary fighter Hwang Sun-hui about the activities of Comrade Kim Chong-suk, an indomitable communist revolutionary fighter, during the anti-Japanese armed struggle.

Papers come out with editorials and give an account of a Pyongyang meeting marking the 72nd anniversary of the March First popular uprising.

Given in the press are an account of a Pyongyang mass rally denouncing the "Team Spirit 91" joint military exercises of the U.S. imperialists and the South Korean puppets and the speech of Kang Hui-won, alternate member of the Political Bureau of the Central Committee of the Workers' Party of Korea and vice-premier of the Administration Council, at the rally.

Under the block-letter titles "Let Us All Keep Ourselves in Position of Combat Mobilization and Accelerate Production and Construction!" and "Let Us All Keep Ourselves Ready for Mobilization, Work and Live With Militancy!" papers round up voices of the Korean working people and People's Army Soldiers upon receiving the order of the Supreme Commander of the Korean People's Army.

Highlighted in the press are accounts of the talks between the delegation of the DPRK Supreme People's Assembly and the Iranian parliamentary delegation headed by Speaker of the Consultative Assembly Mehdi Karrubi and of the sojourn of the visiting delegation in Korea.

According to NODONG SINMUN, Calmell Solar, national secretary general of the Popular Action Party of Peru, met with the DPRK ambassador to Peru.

An inaugural meeting of the DPRK-Morocco Friendship Association was held in Pyongyang, says the press.

South Korean news of the press includes reports that the authorities pressganged a student absent from Seoul National University into the puppet army and murdered him, public circles demanded the No Tae-u "regime" resign, taking the blame for the Suso housing scandal and Yun Ki-kwon, who was an artist of the Hyondae theatre in Kwangju, came over to the northern half of the country. In a semi-monthly review of the South Korean situation, NODONG SINMUN says that the No Tae-u ruling group started military exercises, leading the fourth North-South high-level talks to a rupture and harshly suppressing the pro-reunification, democratic forces.

In a commentary, the daily denounces No Tae-u's shameless sophism to cover up the traces of his crimes committed in the three years of his office.

The daily comes out with a commentary denouncing the the U.S. State Department for spelling out, in a statement on the order of the supreme commander of the Korean People's Army, a rigmarole that it is an oversensitive reaction.

Foreign newspapers and public organisations denounced the "Team Spirit 91" joint military exercises, says the daily.

The press observes the day of Bikini.

According to the press, the Soviet president in his speech referred to the political crisis of the country when he met with scientific and creative intellectuals in Belorussia.

Conveyed in NODONG SINMUN is reaction of foreign countries to the start of the ground attack by the multinational forces.

It carries data on the windfall of the U.S. military businessmen in the Gulf war.

MINJU CHOSON runs an article stressing that the South Korean authorities' schemes for "U.N. membership" aimed at permanent division must not be allowed.

In a monthly review of the international situation, the daily deals with the vigorous struggle of the world's people against war and for peace.

Hanminjon Denounces No Over Housing Scandal

SK2702064491 Pyongyang KCNA in English
0531 GMT 27 Feb 91

[Text] Pyongyang February 27 (KCNA)—The spokesman for the National Democratic Front of South

Korea (Hanminjon) on February 21 released a statement, denouncing No Tae-u for publishing a "statement of apology to the people" after making the prosecution publish false results of investigation into the case of privileged distribution of housing lot in Suso district, according to radio Voice of National Salvation.

The statement said:

The Suso scandal is the worst irregularity involving a serious political problem and an enormous social explosive power. The gravity of the Suso scandal lies in that No Tae-u who took the power of dictatorship of the "Sixth Republic", shouting himself hoarse for the "end to the irregularities of the Fifth Republic" and a "clean policy" personally orchestrated the enormous power-backed scandal putting the irregularities of the "Fifth Republic" into the shade.

Branding No Tae-u as the incarnation of the new evil of irregularities of the "Sixth Republic" that dwarf the old evil of the corrupt "Fifth Republic" and the chieftain of shocking corruption, the statement said that with no trickery can he conceal the ugly colour as the main criminal of the scandal and lull the public criticism and voices of protest which are growing louder day by day.

The statement went on to say:

The National Democratic Front of South Korea scathingly denounces the tricky acts of the traitor No Tae-u to evade the responsibility of the Suso scandal, branding it as another deception and mockery of people and an intolerable anti-popular criminal act.

The No Tae-u "regime" should step out, answering for the Suso scandal.

Hanminjon appeals to the popular masses of all strata, with astonishment and resentment, to wage more vigorously the anti-No Tae-u struggle and anti-fascist struggle for democratization, in order to oust No Tae-u, a truculent dictator and incarnation of corruption, and replace the "Sixth Republic" dictatorship by a clean civilian government.

Commentary Views No Tae-u's 'Hideous' Record

SK0103072091 Pyongyang KCNA in English
0535 GMT 1 Mar 91

[Text] Pyongyang March 1 (KCNA)—No Tae-u recently blared that his three years in office were a period interwoven with "challenges, trials, effects and setbacks," trying hard to justify his crimes when he called together his underlings at "Chongwadae." He also made quite a noise as if any "change" were brought about in this period.

This folly is another political cartoon aimed at beautifying his ugly image as a despicable colonial puppet and fascist dictator, deceiving and flouting the people and thereby defusing the crisis of his fascist rule, says NODONG SINMUN in a commentary today.

No's past records are so hideous that he cannot conceal his crimes and pride himself on his "feats," the news analyst says, and goes on:

The three years of his office was a period of crime and disgrace run through with treachery and submission, fascism and separatism.

No is a thorough-paced colonial slave of U.S. imperialism.

He has shouted himself hoarse about "Korean national community," "exchange and cooperation" and the like as if he wanted peace and national reunification. However, he has run amok in arms buildup and war preparations more frantically than any previous puppets and reinforced the wall between the North and the South against the people's ardent desire for reunification, while dreaming of "reunification by prevailing over communism" and "destroying communism." He has also pursued the seclusionist policy of blocking the North-South dialogue, contact, travel and exchange between broad sections of people, claiming "unified channel of dialogue", and has shown excessive zeal in his separatist "northern policy" and campaign for "U.N. membership."

All his voluble talk about "welfare society," "society of justice" was nothing but a plausible empty talk to fascinate the people.

The past three years of the "Sixth Republic" clearly prove that No is, indeed, a dastardly traitor to the nation overshadowing his preceding dictators, a political slicker who knows nothing about the country and the nation and politics, and a fascist dictator.

No Tae-u that day urged his underlings to "brace themselves up to make a new start, looking ahead to the 2000s," and "advance daringly toward a bright future" for the rest of his tenure. This is a crafty ruse to tone down the people's complaints and discontent and put muscles into his treacherous fascist repressive rule and thus gratify his lust for long-term office.

Whatever logic he may chop up he can never bury in oblivion the crime-woven records of his three years in office.

Papers Urge Reunification Free From Foreign Rule

SK0103122291 Pyongyang KCNA in English
1037 GMT 1 Mar 91

["Dailies Call Upon Nation To Achieve Independent Reunification in Unity"—KCNA headline]

[Text] Pyongyang March 1 (KCNA)—On the occasion of the 72nd anniversary of the March First Popular Uprising, NODONG SINMUN and MINCHU CHOSON today editorially call upon the nation to unite to put an end to the colonial military fascist rule of the U.S. imperialists and the South Korean authorities and accomplish the cause of national reunification.

NODONG SINMUN says:

The March First Popular Uprising was an eruption of the pent-up resentment and wrath of the Korean people against the high-handed Japanese imperialist colonial rule and a nation-wide anti-Japanese resistance to retake the lost motherland and establish national dignity and sovereignty.

Through the uprising, the Korean people powerfully demonstrated their patriotic will and indomitable spirit to defeat the outside forces' aggression and achieve the independence of the country, dealt a heavy blow at the Japanese imperialist brutal rule and greatly encouraged the national liberation struggle of the oppressed people in colonies.

Our nation's desire for independence and sovereignty has not yet been realized on a nation-wide scale owing to the U.S. imperialist military occupation of South Korea and their aggressive manoeuvres.

The U.S. imperialists are ruthlessly trampling underfoot the national dignity and sovereignty of the people, while pursuing a harsh colonial rule in South Korea and are running amok in their "two Koreas" plot and new war provocation moves in an attempt to realise their unchanged aggressive ambition to dominate the whole of Korea, Asia and the rest of the world.

This year, too, they are conducting "Team Spirit 91" joint military manoeuvres together with the South Korean puppets, rushing headlong along the road of a war against the North. All the Korean people are faced with an urgent national task to drive out the outside forces from the half of Korea, establish national sovereignty nation-wide and reunify the divided country.

All the Koreans in the North, South and abroad who aspire after reunification should firmly unite guided by the national ideal of peace, reunification and patriotism and wage an energetic nation- wide struggle to smash the "two Koreas" plot of the splittists at home and abroad and reunify the country by means of founding a confederal state.

The U.S. imperialists must stop at once their reckless "Team Spirit" joint military exercises bringing dark clouds of war to hang over the Korean Peninsula and go back to their den without delay, shipping nuclear weapons and all other aggressive weapons out of South Korea.

The editorial calls upon the entire people to take a full combat mobilization posture against the new war provocation manoeuvres of the U.S. imperialists and the South Korean authorities, firmly defend the gains of the revolution and the socialist motherland and accelerate the independent and peaceful reunification of the country, in hearty response to the order of the supreme commander of the Korean People's Army.

Papers Mark Anniversary of Bikini H-Bomb Test

SK0103114791 Pyongyang KCNA in English 1032 GMT 1 Mar 91

["Lessons of Bikini"—KCNA headline]

[Text] Pyongyang March 1 (KCNA)—Bikini Island where a hydrogen bomb explosion test took place on March 1, 1954 remains a voucher proving that the U.S. imperialists are the nuclear maniacs who try to exert nuclear holocaust on mankind, say papers here today.

Recalling that tens of Japanese fishermen were killed by the H-bomb explosion test of the U.S. imperialists, a signed article of NODONG SINMUN notes that disaster of Bikini exposed the crimes of the U.S. imperialists to the world and left lessons that the U.S. imperialists who attempt to bring back clouds of a nuclear war to hang over the heads of mankind should be condemned and vigilance be heightened.

The article goes on:

The U. S. imperialists are still stepping up the development and production of nuclear weapons, pursuing nuclear ambition.

It is on the Korean Peninsula that the U.S. imperialists are viciously activating nuclear war manoeuvres.

The U.S. imperialists are staging the "Team Spirit 91" joint military exercises, a test nuclear war and preliminary war against the northen half of our Republic, leading the situation of the Korean Peninsula to the brink of a nuclear war.

There is no guarantee that the adventurous "Team Spirit 91" war exercises will not turn into an actual war.

A world free from nuclear weapons and nuclear war, a peaceful world can be built only by the united efforts of the world's peace- loving people.

When they firmly unite to smash the war manoeuvres of the U.S. imperialists and conduct a vigorous movement for a nuclear-free, peace zone, mankind will be relieved of the danger of a nuclear war.

An article of MINJU CHOSON says that the reckless nuclear war manoeuvres of the U.S. imperialists must be thwarted and the disaster of Bikini never be repeated.

South Korea

No Tae-u Congratulates Bush on Victory in Gulf

SK0103031291 Seoul YONHAP in English 0300 GMT 1 Mar 91

[Text] Seoul, March 1 (YONHAP)—South Korean President No Tae-u congratulated U.S. President George Bush Friday on "the swift and decisive victory of the coalition forces" in the Gulf war and offered his prayers for those who fell in battle.

"The people of the Republic of Korea, along with all the peace- loving peoples of the world, feel relieved at the victory which has put an end to the Gulf crisis, a longstanding source of threat to world peace and stability," No said in a message to the U.S. leader.

"The restoration of peace and stability in the Gulf region through the implementation of relevant U.N. Security Council resolutions will serve as a valuable springboard for world peace and prosperity in the years ahead.

"It is with highest respect that I note how the Government and people of the United States of America have braved sacrifices and difficulties to lead the multinational efforts," he said.

No Congratulates Emir on 'Liberation' of Kuwait

SK0103053991 Seoul YONHAP in English 0515 GMT 1 Mar 91

[Text] Seoul, March 1 (Yonhap)—South Korean President No Tae-u sent a message Friday to Shaykh Jabir al-Ahmad al-Sabah, congratulating him on Kuwait's liberation and the return of the legitimate government with Iraq's defeat.

"The Korean people have witnessed with admiration the display of indomitable courage by the Kuwaiti people in their noble struggle to liberate the fatherland," he said.

He reminded the Emir that the Korean Government had from the beginning of the Gulf crisis given its unswerving support for the U.N. Security Council resolutions and called for "the immediate withdrawal of Iraqi forces from Kuwait and the restoration of the legitimate government of Kuwait."

No said he was gratified that "Korea was able to join in the international efforts to reestablish peace in the region" to the best of its ability by dispatching a military medical support group and an air force transport support team.

"I earnestly hope that Kuwait will soon regain stability and prosperity removing the scars of the war and that a lasting peace will be brought about in the Middle East through the concerted efforts of the countries in the region including Kuwait," he said.

Gulf Military Support Teams Likely To Remain

SK0103075591 Seoul YONHAP in English 0532 GMT 1 Mar 91

[Text] Seoul, March 1 (YONHAP)—There will be consultations on keeping South Korea's military medical and air force transport teams in the Gulf with relevant countries, a Defense Ministry official said Friday. "Considering the national interest and international relations, the government is ready to agree if the countries concerned ask us to station our military medical and transport teams in the Gulf region for a certain period," he said.

Although the Gulf war was virtually over as of Feb. 28, the withdrawal of Korean military support teams needs consultation with the United States, Saudi Arabia and the United Arab Emirates through diplomatic channels as was the case in their dispatch, he said. "I think the stationing of our military support teams in the Gulf region for a certain period can greatly contribute not only to improving the Korean economy by broadening the chance for our firms to participate in the huge post-war rebuilding projects, but to enhancing national prestige," he said.

Defense Minister Yi Chong-ku said early this week that Korea would press for the teams to give medical and transport aid to U.N. peacekeeping forces to maintain peace and stability in the region.

The medical team of 154 doctors, nurses and support personnel has treated over 800 allied and Iraqi soldiers as well as Saudis civilians at a hospital in al-Nuairia, northeastern Saudi Arabia, between Jan. 30 and Feb. 28.

The 160-man air force team with five C-130 Hercules transports has flown logistical materials to Dahran, where the forward command headquarters is located, since arriving at U.S. Air Force transport headquarters in al-Ayn, the United Arab Emirates, Feb. 24.

Construction Firms To Help Rebuild Kuwait

SK0103121791 Seoul YONHAP in English 1106 GMT 1 Mar 91

[Text] Seoul, March 1 (OANA-YONHAP)—The Kuwaiti Government has called for South Korean construction companies' active participation in the rehabilitation of the country, the Foreign Ministry said Friday.

Kuwaiti Foreign Minister Shaykh Sabah al-Jabir al-Sabah expressed the hope in a meeting with South Korean ambassador to Kuwait, So Pyong-yong, in Saudi Arabia Wednesday, a ministry official said.

The Kuwaiti foreign minister denied reports that Kuwait has awarded most of its rehabilitation projects to U.S. contractors.

The Kuwaiti foreign minister also said that his government will cooperate so that Korean companies will be able to resume their construction projects abandoned under fire at an early date, the official said.

The meeting was made when Amb. So visited the Kuwaiti foreign minister in Saudi Arabia to deliver a letter of South Korean Foreign Minister Yi Sang-ock and discuss matters of post-war reconstruction.

So conveyed the Seoul Government's position that it was willing to contribute to the restoration of peace in Kuwait and the country's economic recovery, the official said.

Yi made it clear in the letter that the South Korean Government supports all U.N. resolutions adopted in

connection with the Gulf situation and explained Korea's contribution to the multinational forces and front-line states and the dispatch of medical and transport units.

Amb. So also forwarded a proposal to the Kuwaiti foreign minister that the South Korean Government was willing to move the military medical team stationed in Saudi Arabia to Kuwait to treat injured people in Kuwait.

Trade Group Expects Exports to Mideast To Soar

SK0103083091 Seoul YONHAP in English 0154 GMT 1 Mar 91

[Excerpt] Seoul, March 1 (YONHAP)—Exports to the Middle East from South Korea are likely to be above the 2 billion U.S. dollars projected by the Korea Trade Promotion Corp. (Kotra), when conflict started there.

Kotra's seven trade centers in the Middle East have reported a flood of inquiries about purchases of consumer goods and building materials, and buyers in Saudi Arabia and other countries are placing orders worth millions of dollars to be filled within a month, Kotra said Friday.

Kotra now estimates orders worth 2.266 billion dollars will be placed with Korean firms, he said. It had lowered its export projection from 2.7 billion dollars to 2 billion dollars when the Gulf conflict looked as if it would be a protracted war.

Kuwait's Government is expected to complete emergency repairs in 90 days, and daily necessities are in urgent need.

Saudi Arabia may be interested in buying as much as 20 billion dollars of munitions, but most of the trade will be in home appliances, textile products, furniture and cordless telephones, according to a Kotra source. Transportation equipment, tires, school and office furniture, air conditioners and blankets are also needed. [passage omitted]

Attempted 'Action Against Kim Chong-il' Reported

SK0103140291 Seoul CHOSON ILBO in Korean 28 Feb 91 p 2

[Text] On 27 February, a well-informed source on the trends of high-level Soviet persons revealed that young North Korean officers who had studied in the Soviet Union attempted to initiate an action against Kim Chong-il in early February. The well-informed source, who had recently been to the Soviet Union, quoted the remarks of high-level Soviet persons serving the party and government. In addition, the source added that the "smashing of antiparty and antirevolution elements," which the North Korean radio reported on 7 February, and a North Korean army unit's "pledge of loyalty" to Kim Chong-il, which the North Korean radio reported on 15 February, are the measures taken to prevent such an action in the future.

The source said that North Korea moved on 8 February, the day of founding the People's Army, which had been marked since 1977, to 25 April, the day of founding the Korean People's Army (the day that Kim Il-song claimed to be the day of founding the partisan unit). The Army, however, is much attached to 8 February. Thus, with this day as an occasion, the young North Korean officers are thought to be preparing for initiating an action against Kim Chong-il. The source, however, said that such an action was thought to be blocked and checked and that the measures taken against the involved officers have not been confirmed.

In addition, the source said it was confirmed that North Korea forcibly withdrew by July 1990 all 300 young North Korean officers who had been studying at the Soviet military institute of higher learning.

No Addresses Reunification, End of Division

SK0103050091 Seoul KBS-1 Television Network in Korean 0100 GMT 1 Mar 91

[Speech by President No Tae-u at a ceremony marking the 72d anniversary of the 1 March Independence Movement held in Sejong Cultural Hall in Seoul—live]

[Excerpts] Dear 70 million fellow countrymen at home and abroad:

Today we mark the 72d anniversary of the independence movement in the year 1919, when all fellow countrymen rose for the nation's independence and dignity. [passage omitted]

During my visit to the Soviet Union late last year, I again confirmed a new chapter of history being opened. It was decided in the Moscow conference of the foreign ministers of the three nations in the year in which we greeted national liberation that a trusteeship would be placed over our country, in the claim that our people had no ability for self-government. Forty-five years after that, the ROK and the Soviet Union announced the Moscow declaration, which pledged that the ROK and the Soviet Union had become partners of cooperation who jointly pursue peace and prosperity. [passage omitted]

Our nation's position in the global map has now changed. Our country, once blocked by the wall of the cold war system of the past, used to remain a nation located on the outer edge of the Western world. With the opening of the northern world, our nation has now been placed in the center of the road going among the United States, Japan, China, and the Soviet Union. [passage omitted]

The days are approaching when the division of the Korean Peninsula will be demolished amid the new trend of reconciliation and cooperation. This will not

take more than three or four years in the future, when we greet the half-century of the division. Germany, which was divided after the war like us, achieved its reunification. We were divided into the North and the South due to internal conflicts, even while we were greeting the national liberation. We should not miss this excellent opportunity provided in this world and century.

Let us rise once again to freely foster the might of freedom and prosperity. [applause] Let us destroy the firm wall in the armistice line with united strength and expedite the days of reunification when 70 million fellow countrymen can live within the same boundaries.

When the compatriots in the North and the South gather in a national plaza and loudly shout the cheers of reunification, we can achieve the lofty intentions of the patriotic martyrs on this land.

I express my respect and admiration to the patriotic liberation fighters living at home and abroad for their sacrifice dedicated to realizing a proud and magnificent nation, such as we have today, and to their families. Thank you. [applause]

Urges Advancement of Unification

SK0103030991 Seoul YONHAP in English 0254 GMT 1 Mar 91

[Text] Seoul, March 1 (YONHAP)—South and North Korea may be reunited in three to four years as the partition of the Korean Peninsula is being dismantled by a global wave of reconciliation and cooperation, President No Tae-u said Friday.

"The day when the division of the Korean Peninsula will be torn down is coming on a wave of reconciliation and cooperation," No said at a ceremony marking the 72nd anniversary of Korea's independence movement.

Noting the failure by Koreans after liberation from Japanese colonial rule in 1945 to prevent division of the peninsula, the president said, "We should not lose again this once in a lifetime opportunity accorded to us by the world and history.

"Let's advance the day of unification by toppling the wall of armistice with our united might so that 70 million Koreans can live together."

No Pledges 'Patience' With North, Clean Politics

SK0103052091 Seoul THE KOREA HERALD in English 1 Mar 91 p 2

[Text] President No Tae-u said yesterday Seoul will continue to promote dialogue with North Korea with patience, while predicting that changes will soon occur in the Communist North.

"I can say for sure that North Korea will change in the near future," No said in his speech at a meeting of the Advisory Council on Democratic and Peaceful Unification.

He reasoned that developments at home and abroad are forcing the Pyongyang regime to reconsider its "isolationist and confrontational policy."

As an example of the developments, the President pointed out Seoul's establishment of diplomatic ties with Moscow, one of Pyongyang's closest allies. Seoul and Moscow normalized their relations last September.

"Now is the time for us to be prepared for a decisive moment for unification which may come anytime soon," No told the meeting held at the Seoul Sejong Cultural Center.

Turning to domestic issues, No said he is determined to realize "clean politics" through reforms in election systems and the general political climate.

He warned against "partisan conforntation" in local assembly elections expected over the next several months.

Official Sees 'Dim Prospects' for N-S Relations

SK2302072891 Seoul YONHAP in English 0646 GMT 23 Feb 91

[Report on interview with Yi Pyong-yong, head of the South Korean National Unification Board's Institute of National Unification, by YONHAP on 23 February—place not given]

[Text] Seoul, Feb. 23 (YONHAP)—North Korea will probably agree to resume the inter-Korean prime ministers' talks in April, after the South Korea-U.S. "Team Spirit" military exercise, but there is unlikely to be much progress in the near future, a noted expert on inter-Korean dialogue said Saturday.

Yi Pyong-yong, head of the National Unification Board's Institute of National Unification, said in an interview with YONHAP news agency that suspension of the talks was in line with Pyongyang's position that Team Spirit and dialogue cannot be juxtaposed.

"North Korea, probably in efforts to accelerate its approach toward Japan and the United States, is likely to respond to the South's call for resumption of the high-level talks in April or after the end of the Team Spirit exercises. However, it is hard to see big progress in the talks in the near future," the former vice unification minister said.

Declaring that national reunification was its top priority, the government recently opened the Institute and named Yi, a former delegate to the inter-Korean premiers' talks, its first president.

Yi said he saw dim prospects for progress because of differences of opinion regarding an accord on improving relations and a non- aggression declaration.

South Korea wants to discuss non-aggression and exchange and cooperation after adoption of a basic

agreement, while North Korea wants immediate adoption of a declaration of non-aggression, he said.

"It is natural to sign the basic agreement first because of our long-drawn-out confrontation and alienation from each other. However, North Korea clings to non-aggression to win such things as the withdrawal of U.S. forces from South Korea. There will be no significant change in the basic positions of the two sides for the time being," Yi said.

He said North Korea's agreement to send a single Korean team to the world table tennis championships in Japan in April seemed partly motivated by the venue. North Korea is eager to normalize relations with Japan and the United States.

"North Korea seems to think it can make up for the loss caused by suspension of the high-level talks by forming a single Korean team to the championships... Many people believe formation of the single team will serve to accelerate inter-Korean sports exchange, but it's a rather hasty judgment. North Korea refuses to have regular soccer matches in Seoul and Pyongyang."

South and North Korea, created at the end of World War II, played "reunification" soccer matches between each other last fall for the first time.

On North Korea, Yi said, "it's difficult to say anti-Kim Chong-il forces are active in North Korea. What the North Korean radio says is believed to be a warning against the emergence of such forces...

"Experts here have different views as to when Kim Il-song will transfer power to his son, Chong-il. I think it is unlikely Kim Chong-il will completely take over during his father's lifetime."

German President von Weizsaecker Pays Visit

Meets No Tae-u

SK2502090591 Seoul YONHAP in English 0823 GMT 25 Feb 91

[Text] Seoul, Feb. 25 (YONHAP)—South Korean President No Tae-u and German President Richard von Weizsaecker discussed matters of mutual concern in summit talks Monday afternoon, including strengthening cooperation in international arenas and expanding trade between their countries, Presidential Spokesman Yi Su-chung said.

Weizsaecker and his wife arrived at Seoul Military Airport south of the city in the morning for a four-day visit as guests of President No, who greeted them along with prime minister No Chae-pong and about 75 senior officials and foreign diplomats in Seoul.

In their talks, the presidents shared the view that the inter- Korean question, including reunification, should be resolved through dialogue, mutual exchange and cooperation between the Koreas, and Weizsaecker made it clear that Germany would positively help Seoul to achieve progress in inter-Korean relations, Yi said.

"President No asked that Germany be more careful in improving ties with North Korea, considering the significant progress and North Korea's signing of the nuclear safeguard agreement of the IAEA (International Atomic Energy Agency), as is the stance now taken by Japan in normalization talks with North Korea, and Weizsaecker promised to fully consider South Korea's position," Yi said.

"The South Korean Government has consistently supported the simultaneous entry of South and North Korea into the United Nations, which No stressed is not only contributing to easing tension and early achievement of the national reunification but is congruous with the U.N. principle of universality," Yi said.

"Nevertheless, we have no choice but to consider South Korea's entry alone if North Korea continues to oppose simultaneous admission," No was quoted as saying.

The presidents agreed the sweeping changes in Europe, including the Soviet Union, might be conducive to peace and stability both in Europe and on the Korean Peninsula, Yi said.

They agreed to further activate economic cooperation between their nations so that two-way trade is more balanced and expands but at the same time expressed satisfaction at the more than 6 billion dollars in annual bilateral trade.

A reliable source close to the government said, "The main purpose of Weizsaecker's visit to Seoul is to win the 8 billion-dollar contract for the high-speed railway between Seoul and Pusan."

The highest-ranking German official to visit Korea since German unification, he is scheduled to leave Thursday for New Delhi.

He will be guest of honor at a dinner hosted by No at the presidential residence, meet with political leaders on Tuesday and visit the truce village of Panmumjom on Wednesday.

No Tae-u Lauds German Unification

SK2502111891 Seoul YONHAP in English 0758 GMT 25 Feb 91

[Text] Seoul, Feb. 25 (YONHAP)—South Korean President No Tae-u told German President Richard von Weizsaecker at a dinner in his honor Monday that Korea would tirelessly pursue dialogue to achieve reconciliation with North Korea.

"I believe German unification has laid the cornerstone for the common European house as envisioned in the Paris charter. Along with democratic reforms now under way in the Soviet Union and Eastern Europe, the German unification is certain to help shape a more peaceful and cooperative world," No said.

"The prevailing winds of world-wide reconciliation are now blowing eastward....We are resolved to do everything in our power to end the outmoded cold war confrontation in our land.

"We are determined to seek and develop such inter-Korean relations with the goal of attaining a peaceful and democratic unification.

"The peaceful and democratic unification of Germany inspires us with courage to seek that goal. I am convinced that just as unified Germany is underpinning European peace, so will the unification of the Korean Peninsula bolster peace in the Asia-Pacific region," No said.

Von Weizsaecker on N-S Unification

SK2602005591 Seoul THE KOREA HERALD in English 26 Feb 91 p 2

[Text] German President Richard von Weizsaecker positively responded to Seoul's request yesterday that Germany consider progress in inter-Korean dialogue when it seeks to improve ties with North Korea, presidential spokesman Yi Su-chong said.

During a meeting with President No Tae-u at Chongwadae, Yi said, von Weizsaecker shared Seoul's view that inter-Korean question should be resolved through dialogue and the promotion of various exchanges.

The German president met No for an hour and 15 minutes from 3:30 p.m. after arriving in Seoul earlier in the day for a four-day visit.

Von Weizsaecker promised to full support Seoul's effort for reconciliation with North Korea, when requested to help in realizing unification of the two Koreas, the spokesman said.

No asked that Germany, in promoting improved ties with North Korea, consider "meaningful progress in inter-Korean dialogue" and Pyongyang's response to international pressure to allow on-site inspection of its nuclear facilities, the spokesman said.

The German president was quoted as replying that he would positively consider the request.

Shortly before unification last October, Germany informed Seoul that it would consider opening diplomatic relations with Pyongyang, Chongwadae said. North Korea had maintained diplomatic relations with East Germany.

North Korea approached Germany about reopening its former embassy to east Germany in East Berlin, officials have said. But the two countries only exchanged interest sections. The German interest section to North Korea opened at the Swedish Embassy in Pyongyang, while North Korea has a section in the Chinese Embassy in Bonn.

No also explained to von Weizsaecker Seoul's policy of seeking joint entry of South and North Korea into the United Nations. He said Seoul would seek a unilateral entry if the North continues to reject the position, according to the spokesman.

Discussing international developments, the two presidents shared the view that reforms in the Soviet Union and East European countries should contribute to promoting peace not only in Europe but also in Northeast Asia.

On bilateral issues, No and von Weizsaecker agreed to step up efforts for a balanced expansion of bilateral trade, which amounted to abut $6 billion last year. Germany is Seoul's third largest trading partner.

The two presidents also agreed to further promote cooperation in economic and other fields.

In the evening, No hosted a state banquet in honor of von Weizsaecker, the first head of state of unified Germany.

Vows International Support for ROK

SK2602024691 Seoul YONHAP in English 0226 GMT 26 Feb 91

[Text] Seoul, Feb. 26 (YONHAP)—German President Richard von Weizsaecker promised South Korean political leaders continued support for their government in international forums Tuesday.

Weizsaecker separately met with Kim Yong-sam, executive chairman of the ruling Democratic Liberal Party, and Kim Tae-chung, president of the opposition Party for Peace and Democracy, at his hotel in the morning.

The Kims expressed thanks for Bonn's support of Seoul in the United Nations and other international arenas and received Weizsaecker's pledge of further support.

The president discussed with them the role of politicians in German unification, political endeavors to narrow the disparity between eastern and western Germany, Bonn-Seoul cooperation to facilitate reunification of the Korean Peninsula, and German economic cooperation with Korea after European integration.

Von Weizsaecker later met with National Assembly speaker Pak Chun-kyu and was to eat lunch with him.

He flew into Seoul on Monday for a four-day visit and held summit talks with President No tae-u in the afternoon. He advised South and North Korea to increase exchanges and cooperation through dialogue to achieve peaceful reunification.

Holds News Conference

SK2602120991 Seoul YONHAP in English 1132 GMT 26 Jan 91

[Text] Seoul, Feb. 26 (OANA-YONHAP)—Visiting German President Richard von Weizsaecker said in a

press conference here Tuesday South Korea's democratic reforms and northern policy will be instrumental in realizing the unification of the Korean Peninsula.

Pointing out that such values as democracy, human rights, market economy and social justice led to laying ground for German unification, the German leader said that Korea will make the same achievement in the not distant future as it follows those values as West Germany did.

The president reiterated his support for Seoul's effort to join the United Nations. He also said that the ongoing efforts toward internal democratization and northern policy would greatly help overcome the division in the Peninsula.

Comparing Korea's northern policy to West Germany's ostpolitik (eastern policy), he said that the policy finally paid off by advancing dialogue and treaties, though there were years of debates over whether to have talks with communist East Germany.

On the future of the relation between Germany and North Korea, he said that the unified Germany would not handle it in the same way as East Germany did. He said Germany's relation with North Korea should be tuned with the people's will. But he added his country was willing to improve ties with the Pyongyang government if it could encourage North Korea to open its door through contacts.

Regarding jailed South Koreans for their unauthorized visits to Pyongyang, he said he would not comment on the matters related with Korea's domestic laws.

Asked if he would visit Pyongyang to mediate resumption of the suspended inter-Korean premiers talks, he said that he had not such an intention but opined that the talks would be resumed in the near future.

Visits Panmunjom, Comments on North

SK2802030591 Seoul THE KOREA HERALD in English 28 Feb 91 p 2

[Text] Panmunjom—The president of a unified Germany came yesterday to this last output of the Cold War and peered through the mist at Communist North Korea, saying its government should get the message of change.

Richard von Weizsaecker, on the third day of a state visit to South Korea said that, as a former mayor of Berlin, he knew what the Cold War entailed.

Less than 24 hours before, North Korean leader Kim Il-song had put his country's armed forces on full alert in response to an annual joint U.S.-South Korean military exercise due to get underway here next month.

But there were no signs of military activity in the North as von Wizsaecker stood at a pagoda-like structure on the southern side of this border truce village and listened to a U.S. soldier describe the area.

"I'm from Berlin. I used to be the mayor of Berlin, so I am really familiar with the consequences of the Cold War," von Weizsaecker said as he looked at North Korea on a cold and wet wintry day.

"It seems that this is the end of the Cold War," he added. "The North Korean regime seems to be the last one not to know this. I think it's about time the North Koreans got acquainted with it."

Von Weizsaecker, accompanied by Minister of Economic Cooperation Carl-Dieter Spranger, was also taken to the small room exactly at the border where armistice talks are held and to other parts of the Demilitarized Zone which has divided the two Koreas since the end of the 1950-53 Korean War.

With the unification of Germany and Yemen, Korea is the last nation still separated.

"The Cold War is over, both sides should continue negotiations," von Weizsaecker said.

Departs Seoul for India

SK2802034891 Seoul YONHAP in English 0149 GMT 28 Feb 91

[Text] Seoul, Feb. 28 (YONHAP)—German President Richard von Weizsaecker left South Korea for India Thursday morning, ending a three-day visit.

Weizsaecker met with President No Tae-u on expansion of bilateral economic cooperation and the situation around the Korean Peninsula on Monday.

The German leader supported the position that North Korea should sign the International Atomic Energy Agency's nuclear safeguards agreement to ensure significant progress in inter-Korean relations.

While here, Weizsaecker also met with political leaders, toured the truce village of Panmunjom and attended the opening of the Technogerma Seoul '91, the largest German industrial fair ever in Korea.

Economic Conference With Germany Held

SK0103050491 Seoul THE KOREA TIMES in English 1 Mar 91 p 9

[Text] Korea and Germany have agreed to carry out joint projects in such third markets as the Middle East and the Eastern bloc in order to facilitate the exploration of new business opportunities there.

The agreement was reached in the 10th annual conference of the Korea-Germany/Germany-Korea Economic Cooperation Committees held at the Federation of Korean Industries.

Yi Hun-cho, chairman of the Korean committee, headed an 80-member Korean delegation, while his German counterpart Gunter Becker led his country's 30 delegates.

Yi expressed deep concern over the rising trend of regionalism in the world economy and the need to pursue cooperative measures between Korea and Germany to uphold the principle of fair global trade.

He emphasized that joint efforts by business concerns in the two countries to penetrate third markets should be enhanced to materialize the potential in complementary industrial structure.

On the other hand, Becker invited Korean industries to engage in comprehensive joint ventures with German firms in view of new opportunities in the single market of the 12-member European Community from 1993.

He said that Korea should embark on becoming more closely involved in international trade organizations such as the General Agreement on Tariffs and Trade (GATT) and the Organization of Economic Cooperation and development (OECD).

Korea called upon Germany to help alleviate rising EC restrictions on imports of major Korean products including electronics home appliances.

They said that the horizontal structure of cooperation between the two countries should be further consolidated on a mutually beneficial basis especially in the robotic, automobile, chemical, electrics and electronics industries.

In the meantime, the German delegation said that Korea should further liberalize its markets to meet its new responsibilities as a leader among developing counties.

They promised that they will encourage as many German companies as possible to take part in the '93 Taejon International Exposition.

The two sides shared the view that the two countries should enhance joint efforts to promote cooperation in the investment sector.

They also agreed consolidating a cooperative bond between Korea and Germany for the prompt and successful conclusion of the Uruguay Round of multilateral trade negotiations.

Soviet Ambassador Proposes Disarmament Body

SK2602035391 Seoul Domestic Service in Korean 0200 GMT 26 Feb 91

[Text] Sokolov, Soviet ambassador to the ROK, proposed to form a consultative body of experts [chonmunga hyobuiche] from nations concerned, including North and South Korea, the United States, and the Soviet Union, in order to discuss the issue of military balance on the Korean Peninsula.

Ambassador Sokolov made this proposal at a breakfast lecture meeting today that was arranged by the Research Institute for U.S. and Soviet Studies in Danguk University. He stressed that the Soviet Union is ready to participate in constructive discussion of a balanced reduction of armed forces in the Northeast Asia.

Ambassador Sokolov said that the Soviet Union believes that in spite of the suspension of the 4th North-South high-level talks, dialogue between the North and the South will be resumed at an early date based on goodwill and common sense. He emphasized again that the issue of the Korean Peninsula should be settled through dialogue and negotiations between the concerned parties of the North and the South.

Concerning the issue of economic cooperation between the Republic of Korea and the Soviet Union, Ambassador Sokolov noted that the ultramodern technology in military logistics in the Soviet Union, which recently began to be open to the public, will be usefully utilized in scientific and technological cooperation with the Republic of Korea. He revealed that cooperation between the two nations in the ultramodern science and technology sectors, including aviation technology, will be further increased.

USSR 'Ready' for 'Specific' Steps

SK2602062091 Seoul YONHAP in English 0600 GMT 26 Feb 91

[Text] Seoul, Feb. 26 (OANA-YONHAP)—The Soviet Union is ready to take specific confidence-building steps on the Korean Peninsula and to transfer advanced technology to South Korean industry, Soviet Ambassador to South Korea Oleg Sokolov said Tuesday.

Sokolov, addressing a breakfast meeting sponsored by the Center for American and Soviet Studies, said it was untrue that Soviet President Mikhail Gorbachev would visit Seoul in April but that Gorbachev had accepted President No Tae-u's invitation. He also registered personal concern that the solution sought for the Gulf war should not become the international standard of conduct for future conflicts.

In his first public lecture since taking up his post as the first Soviet ambassador here in December, Sokolov stressed the need for continued "intra-Korean dialogue." "Given the current suspension of the dialogue at the level of prime ministers, the Soviet Union expresses the hope that in the final analysis good will and common sense will prevail and lead to an early resumption of dialogue at all levels," he said.

Warming Soviet-U.S. relations, in which they view each other not as adversaries in Europe or Asia, should have a positive effect on the Korean situation, he said in the address entitled "USSR-ROK (South Korea) Relations: A Head-Start."

"My country is prepared to actively contribute to making such (favorable international) environment and interact for that purpose with other states. This certainly includes the Republic of Korea," he said. "Why not start expert-level consultation, for example, on military balance in the peninsula?"

The ambassador also spoke of the economic aspects of Seoul-Moscow ties.

"There is one particular area of cooperation where our two countries seem to be especially attracted to each other. It is the area where Soviet advanced technologies and fundamental research can be complimented by the capability and experience of Korean firms to put them to practical use," he said. "In addition, I would like to draw your attention to the huge scientific and technological potential of the Soviet military- industrial complex."

Answering questions after his lecture, Sokolov denied that Gorbachev plans to extend his Japanese visit in April to Korea.

Asked about the 1983 downing of a Korean jetliner by a Soviet fighter, the diplomat reiterated his government's regrets. There is already an agreement between the two countries to notify each other of any new facts and both sides should wait for the results of the investigation, which is now in progress.

Sokolov also expressed regret that a chance for peace before a ground war in the Gulf was missed and said the Soviet proposal included Iraq's immediate and unconditional withdrawal from Kuwait. Expressing personal concern over what he called a very important issue, the ambassador said the solution sought for the Gulf crisis should not become the future international standard of conduct or a guideline.

Soviet Visitor on Nuclear-Free Korea Prospects

SK2302091391 Seoul YONHAP in English 0831 GMT 23 Feb 91

[Text] Seoul, Feb. 23 (OANA-YONHAP)—Making the Korean Peninsula a nuclear-free zone is one of the Soviet Union's basic policies, and negotiations are actively under way with experts from the United States, Japan and China, a leading Soviet scholar said Saturday.

Mikhail Titarenko, director of the Institute of Far Eastern Affairs at the Soviet Academy of Sciences, told a press conference here that South Korean's economic experience will be helpful to Moscow.

The Soviet Government is planning to establish special economic zones not only in Nakhodka, as announced last year, but also in Sakhalin, Leningrad and Khabarovsk. But because of weak domestic substructure, such plans will need investment from Western countries, Titarenko said.

The Far Eastern scholar arrived in Seoul Friday at the invitation of Samsung Co. Chairman Sin Hyon-hwak. He will be meeting with researchers, businessmen as well as ruling and opposition party leaders during his stay, and he will also call on President No Tae-u before leaving March 1.

When asked whether the Korean Peninsula can be made into a non- nuclear region, Titarenko said it is one of the basic policies of the Soviet Union and is highly possible.

"There has not yet been inter-governmental talks on the issue, but the matter will naturally come up during discussions for establishing an Asia-Pacific cooperation conference as urged by Presidents No Tae-u and Mikhail Gorbachev or during talks on troop reduction in Asia," Titarenko said.

Commenting on Moscow's internal political tension and its possible negative effect in drawing South Korean investors, Titarenko claimed that the present difficulties are side results from pursuing perestroyka.

Political and economic stability can be achieved, he said, and there shall not be any problems two years from now.

Government Asks IAEA for Sanctions on North

SK2802143291 Seoul CHOSON ILBO in Korean 28 Feb 91 P 2

[Text] Our country has officially requested the International Atomic Energy Agency [IAEA] to impose sanctions on North Korea if North Korea does not sign the IAEA Nuclear Security Treaty by June.

The Republic of Korea, the United States, and Japan have urged North Korea to sign the Nuclear Security Treaty. This is the first time, however, that our country has officially proposed that sanctions be initiated against North Korea.

North's Production, Export of Weapons Described

SK0103104491 Seoul HANGUK ILBO in Korean 26 Feb 91 p 15

[By reporter Yi Kye-song]

[Text] Interest is focused on North Korea's capability to produce weapons and on the scale of the weapons that are being exported to the Third World, amid the international dispute on whether North Korea has been supplying Scud missiles to Iraq.

From the mid-1960's, under the slogan of "self-reliance in national defense," North Korea has spent 20-25 percent of its gross national product for defense, giving priority to developing the war industry. As a result, in the late 1960's North Korea copied Chinese and Soviet made weapons, fully equipping ground forces with the basic firearms necessary. In the 1970's North Korea began to build ground weapons such as tanks, armored cars, and self-propelled artillery, and combat vessels such as submarines, naval destroyers, and speed boats.

In the 1980's North Korea began to develop and produce various up-to-date missiles such as anti-tank, surface-to-surface, surface-to-ship, ship-to-ship, and surface-to-air missiles. The main missiles that are being developed and produced by North Korea are the SA-7 surface-to-air missile, the AT-3 anti-tank missile, the Silkworm surface-to-ship missile, and the Scud-B missile, which is currently the subject of dispute. It was learned that since the SA-7 surface- to-air missile was introduced from the Soviet Union in 1974, up to 100 missiles were produced annually at the Chongyul arms plant from 1979. This missile has a range of 5 km and uses an infrared guidance system in which maximum speed is mach 1.5. This missile can be carried by an individual and can attack low altitude, low speed aircraft.

Other than these missiles, from the 1980's North Korea has been producing YAK-18 training planes and is currently producing parts for MiG-15 and MiG-17 fighters. Also, North Korea produces MI-2 helicopters, and there is a high possibility that in the mid-1990's North Korea will be capable of producing MiG-21 fighters from its fighter plant in Panghyon, which was completed in 1986.

North Korea was selling these weapons to Third World countries and supported military technology, thus regarding its military diplomacy as an important basis for its diplomatic policy.

In a U.S. congressional report last year, it was revealed that North Korea's export of weapons for four years from 1986 to 1989 amounted to $2.18 billion, ranking seventh in the world following the Soviet Union, the United States, France, Great Britain, China, and West Germany.

Also according to a "1985 report on world military expenditures and weaponry dealings," which was drawn up in 1988 by the U.S. State Department, in 1985 North Korea's weapon exports amounted to $380 million, amounting to 27.5 percent of North Korea's overall exports for that year.

North Korea's export of weapons is usually carried out through cash sales or loans under the pretext of the "anti-imperialist joint struggle"; there have been cases in which North Korea has supplied weapons free of charge. In the late 1960's North Korea mainly exported small firearms, trench mortars, small artillery, and various kinds of ammunition. However, in the 1970's it increased its export items to multi-rocket launchers, 122-mm field guns, anti-aircraft guns, torpedo speedboats, and high speed boats, and North Korea also expanded its exports to countries from Asia and the Middle East to African and Central and South American countries.

In the 1980's North Korea even started to export MiG fighters, tanks, and patrol boats. During the 8-year Iran-Iraq war it was learned that North Korea had sold weapons worth over $1 billion to Iran. During this period, North Korea exported 100 Scud missiles to Iran, and based on this fact there is suspicion that North Korea might have sold Scud missiles or components to Iraq through Iran during the ongoing Gulf war.

It was revealed that a North Korean SA-7 surface-to-air missile was used in the shooting down of a Nicaraguan airplane in Nicaragua by a Salvadoran leftist antigovernment armed organization in November 1989.

Other than weapons, North Korea is also dispatching military advisory teams to foreign countries or inviting foreign military personnel, thus exporting military technology and services through training.

Shin Kanemaru Discusses Meeting With Kim Yong-sun

SK2802001391 Seoul SEOUL SINMUN in Korean 27 Feb 91 p 2

[Report by correspondent Kang Su-ung in Tokyo]

Former Vice Prime Minister Shin Kanemaru, a strongman in the Japanese political world, visited the ROK Embassy in Japan and met Ambassador Yi Won-kyong on the afternoon of 26 Feburary.

He told the ROK ambassador at the meeting that he had clearly informed Kim Yong-sun, secretary of the Workers' Party of Korea, who is on a visit to Japan, that there would be no progress in relations between Japan and North Korea until the nuclear inspection issue of North Korea is solved.

He said: "Because North Korea asserted that the nuclear issue was a matter between the United States and North Korea, I proposed that the United States and North Korea hold contacts to discuss it. I think that the United States and North Korea will need contacts to discuss it. This is why I propose that they hold them."

In addition, he emphasized that there would be no progress in relations between Japan and North Korea unless the North Korean nuclear inspection issue is resolved. He said, however, that this should satisfy both South Korea and Japan.

In regard to compensation for the 45-year postwar period, he also said: It has been said that I favor it. I am inclined to give a certain consideration to North Korea for the later establishment of diplomatic ties with it than those established with South Korea since the Korean Peninsula was divided. But this is my personal view, not that of the Japanese Government. I have clearly informed Secretary Kim of it.

Technology Transfer Talks With Japan Continue

SK2602014891 Seoul THE KOREA HERALD in English 26 Feb 91 p 6

[Text] Senior Gernment officials from Korea and Japan resumed their talks to substantiate industrial technology cooperation but there still appeared to be a wide difference in views.

In particular they discussed possible joint research on the four major technological areas regarding production safety management and synthetic new materials, as agreed upon in principle during President No Tae-u's visit to Japan last year, according to officials at the Ministry of Trade and Industry yesterday.

The Korean side called on Japan to be more sincere in transfer of technology under the government's initiative in the meeting, held in Tokyo after a three years' suspension yesterday. It also asked for Japan's cooperation in training technicians, establishing cooperative systems between government research institutes, forming horizontal division of labor among industrial lines and exchange of firms in each other's frontier industrial estates.

While pointing out that Seoul's chronic trade deficit with Japan stands in the way of boosting the mutual relationship, the Seoul side also suggested Tokyo lower tariffs, provide GSP (generalized system of preference) favor for more Korean items, and send officials to discover promising export items from Korea.

Kim Tae-chung Repeats Demand for Suso Probe

SK0103085091 Seoul YONHAP in English 0547 GMT 1 Mar 91

[Text] Seoul, March 1 (YONHAP)—Opposition leader Kim Tae- chung reiterated a demand Friday that president No Tae-u give a clear explanation of the Suso scandal and order a reinvestigation by the prosecution.

Kim called on No to fire Justice Minister Yi Chong-nam and Prosecutor-General Chong Ku-yong, allow the ruling Democratic Liberal Party (DLP) to participate a parliamentary investigation of the scandal, and appoint a special prosecutor to make an independent inquiry.

"President No and the PPD should be judged by the people if No rejects these demands," Kim told a ceremony for the 72nd anniversary of the March 1 independence movement at the headquarters of his Party for Peace and Democracy (PPD) in Yoido. "The government and the DLP broke a political promise and tried to force local elections in March in an attempt to gloss over interest in the Suso scandal, but they are hesitating now because of the strong warning and opposition by our party," he said.

Dissidents Demand No Resign Over Suso Scandal

SK0103091091 Seoul YONHAP in English 0646 GMT 1 Mar 91

[Text] Seoul, March 1 (YONHAP)—Fifty South Korean dissidents, including the Rev. Mun Ik-hwan and Paek Ki-wan, began a protest Friday at the unification research institute in Seoul, calling for President No Tae-u to resign out of responsibility for the Suso housing scandal.

"The Suso scandal, which recently infuriated people, is a politically motivated speculation drama staged by the government in collusion with the privileged tycoons," they said in a statement announcing their open-ended protest.

Army Command Relocates to Outskirts of Seoul

SK0103051591 Seoul THE KOREA HERALD in English 1 Mar 91 p 3

[Text] An Army command located at the foot of Mt. Namsan in central Seoul moves to southern outskirts of the capital today, the Defense Ministry said yesterday.

A ministry official said that the move will start tonight and asked citizens not to be surprised at the movement of troops and military vehicles, including tanks.

The official, however, didn't say when the move would be finished, nor revealed the exact name of the Army command.

The official said the Army command's movement is the result of popular demands that military facilities in Seoul be moved to the outskirts of the capital.

Burma

Armored Vehicle Hits Mine on Ye-Moulemin Route

BK2402152191 Rangoon Domestic Service in Burmese 1330 GMT 24 Feb 91

[Text] Subversive insurgents have been hampering and disrupting regional tranquillity and planting mines to kill and maim innocent commuters. Accordingly on 24 February, a mine-clearing armored personnel vehicle providing security for the Ye-Moulmein passenger train, which left Thanbyuzayat, hit a mine planted by the insurgents at 0950 when it reached milestone No. 234/8, about one mile away from (Anyein) railway station.

The mine blast destroyed the diesel engine and 60 railway sleepers, snarled four spans of rail tracks, and slightly wounded engine driver U Tint Swe and train guard U Chit Myaing.

Responsible officials of Thanbyuzayat Township and the Myanmar Railways and Defense Services personnel are making urgent repairs.

Passengers from the mine-hit train were transferred to a different train to facilitate their Ye-Moulmein journey.

19 Return From Thailand via Kawthaung

BK2602152991 Rangoon Domestic Service in Burmese 1330 GMT 26 Feb 91

[Excerpt] Nineteen young people, who went to Thailand by fleeing across the border as a result of instigation by unscrupulous people, returned to Yangon [Rangoon] port via Kawthaung at 1300 today by Myitkyina passenger ship. Among the returnees were two young couples and a 7-month-old baby.

The young people who have come to see their wrongdoing had given up the armed struggle and had sought help from the Myanmar [Burmese] Embassy in Thailand for their return to the mother country.

The returnees were welcomed back at Pansodan jetty by Grade 1 Staff Officer Lieutenant Colonel Soe Win of the Yangon Military Command and the other responsible officials. They were sent to a temporary holding center at Yangon Military Command where they were met by waiting parents, relatives, and friends.

It is understood that they will be handed over to their parents and sent back to their homes. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Mahathir Urges Arabs To 'Look After' Security

BK0103062891 Kuala Lumpur International Service in English 0600 GMT 1 Mar 91

[Text] Malaysia has appealed to Arab countries to join forces to look after the security of the Middle East following the end of the Gulf war. Prime Minister Datuk Sri Dr. Mahathir Mohamed said the vacuum that was left by Iraq should be made up by the Arab countries coming together. He also hoped that Israel would not try to seize the opportunity from the post-war situation as it would create permanent instability in the region.

The prime minister was speaking at a news conference after the first meeting of the Malaysian Business Council in Kuala Lumpur. Responding to a question, he said Malaysia was prepared to send assistance within its means to the war-torn region if requested by the UN.

In a related development, the International Trade and Industry Ministry is making preparations to help (?hasten) the reconstruction of Iraq and Kuwait. The minister, Datuk Sri Rafidah Aziz, said discussions would be held with the private sector to determine the quantity of raw material such as timber and cement that Malaysia will be able to supply.

Government Wants To Boost Ties With Romania

BK2802141891 Kuala Lumpur Domestic Service in English 1330 GMT 28 Feb 91

[Text] Malaysia wants to expand ties with Romania and other Eastern European countries particularly in trade and joint industrial ventures.

Foreign Minister Datuk Abu Hassan Omar says Malaysia supports the efforts by Eastern European nations to build market-based economies because the moves offer opportunities for long term trade and economic interaction.

He was speaking at the end of a three-day meeting of the Malaysia-Romania joint commission, also attended by Romanian Foreign Affairs Minister Adrian Nastase in Kuala Lumpur. Malaysia asked Romania to reduce its import duty on palm oil by placing it in the same tariff category as soya-bean and sunflower seed.

Mr. Nastase said Romania wanted an active and an substantial dialogue with Malaysia to boost trade and other economic exchanges. Both countries will sign a trade agreement tomorrow, while the central banks will sign a payment agreement in April to cover bilateral trade.

Mahathir Launches Malaysian Business Council

BK2802123791 Kuala Lumpur BERNAMA in English 0604 GMT 28 Feb 91

[Text] Kuala Lumpur, Feb 28 (OANA-BERNAMA)—Prime Minister Dr. Mahathir Mohamed Thursday launched the Malaysian business council and stressed the necessity of productive cooperation between the public and private sector to make Malaysia an advanced country.

Malaysia must strive to be a developed country at par with those of Europe and North America, Dr. Mahathir said at the launching here.

Dr. Mahathir, who is the council chairman, said collaboration that resulted in negative social consequences and frustrated the achievement of national values and aspirations must be fought against.

He added: "In many areas there must be more than an arm's length relationship. On many issues, there must be productive regulation. "What is good for the business sector may not always be good for the people as a whole."

The council was one of the mechanisms intended to contribute further to the good relations between the two sectors, he added. The council is made up of nine other ministers, eight leaders from the public service and 44 leaders from the private sector.

Dr. Mahathir said under the Malaysia incorporated concept, based on a partnership between the government and the private sector, both were together tasked with ensuring its success and were entitled to share the benefits. He said that for the council to be effective, there must be free and frank exhange of view and ideas.

Dr. Mahathir said the council was a small one because it was essential that the members could discuss in an atmosphere of candour and intimacy. He said two of the four primary objectives of the council was to facilitate a free flow of information and ideas between the public and private sector and to address problems pertaining to industrial and commercial development and to remove impediments to economic growth.

The other objectives were:

"To create better understanding and to enhance the relationship between the public and private sector, and

"To identify and promote areas of cooperation and collaboration between them."

After the launching, the prime minister chaired the first meeting of the council and presented a policy paper.

Singapore

Foreign Minister Welcomes End of Hostilities

BK2802121091 Singapore Domestic Service in English 1100 GMT 28 Feb 91

[Text] Singapore has welcomed the U.S. announcement that the U.S.-led coalition is suspending hostilities in the Gulf. At (?least) the Iraqi Government has accepted all the UN resolutions and end the suffering of the Iraqi people.

Foreign Minister Mr. Wong Kan Seng, in a statement, said Singapore shares the joy of the Kuwaiti people at the liberation of their country. Singapore has fully supported all the financial efforts to this end and hopes the situation will be returned to normal soon and [word indistinct] reconstruction will begin.

Mr. Wong said the resolute and the decisive role in the multinational coalition enforcing the UN decision has strengthened the world body and has made the world a safer and better place.

Cambodia

Chea Sim Speaks at National Assembly Session

BK0103100991 Phnom Penh SPK in French 0244 GMT 1 Mar 91

["Large excerpts" of the speech made by National Assembly Chairman Chea Sim "at this morning's opening of the National Assembly's extraordinary session"]

[Text] Phnom Penh 28 Feb (SPK)—This session of the National Assembly has been made extraordinary by important events occurring in the country and in the international arena at the beginning of this year, events related to the destiny of the Cambodian nation and the life of its people.

Lately, the fighting in various theaters of operation has been particularly intensified; our armed forces and people have been struggling resolutely against the genocidal Pol Pot clique and its allies. Enjoying foreign provision of military and financial aid, the latter are currently launching military attacks regardless of the life and property of the innocent population and of the country. They thereby turn a deaf ear to the international community's appeal for restraint in military activities by both sides, for the start of a voluntary cease-fire, and for the coordination of efforts to find a peaceful solution to the Cambodian problem.

Far from responding to this appeal, they have escalated the war by using tanks and heavy weapons in combat. They have mobilized and drafted refugees in the camps in Thailand to serve their adventurous activities conducted in conjunction with acts of plunder and embezzlement of international humanitarian aid destined for the refugees in favor of their soldiers.

They take advtange of the moment when the international community is engrossed by the Gulf war in order to intensify their military activities.

In the face of the activities of the Pol Pot clique and its allies, the government, armed forces, and population have deemed it necessary to resort to all available arms in order to defend their lives and the social gains and to prevent the recurrence of the genocidal Pol Pot regime.

The goal of our enemies is to grab as much territory and population as possible so as to seize supremacy over the State of Cambodia [SOC] in any political settlement.

Tactically, they make a lot of noise about their unconditional support for the draft agreement on the global political settlement of the Cambodian problem. But strategically, they resort to military means to settle the Cambodian problem. This is why all their activities are centered on the military field. Combat goes on and the cease-fire cannot be implemented. Our enemies have obstructed efforts of the international community toward political settlement of the problem.

In their dark schemes, our enemies aim at a double target: to impose on the SOC the responsibility for the eventual failure of the negotiations and to gain territory in combat in order to gradually overturn the SOC through military means.

It is not surprising that the other side is trying to exploit the draft agreement on the Cambodian settlement, for this plan particularly favors the recurrence of the genocidal regime. Being a government-in-exile set up by foreign countries, without law, territory, or population, it is easy for it to accept such a document, for the objective of its struggle is to serve foreign interests as well as personal interests and the interests of each component faction. It takes into account neither the destiny of the nation nor the future of its people.

Such a stance is contrary to that of the SOC which, we would like to stress, is constructive and highly responsible.

Our stance is clearly constructive considering the fact that the SOC is working as a driving force for national reconciliation and in the search for a political settlement of the Cambodian problem through its policy of national reconciliation implemented since May 1987. This policy opened the way for the Hun Sen-Sihanouk meetings, JIM-1 and JIM-2 [Jakarta informal meetings], the Paris International Conference, and the Tokyo and Jakarta forums which led toward the establishment of the 12-member Supreme National Council [SNC].

Dictated by its goodwill to find a political solution and in response to the call of the international community, the government of the SOC put an end to the presence of Vietnamese troops in Cambodia 15 months ahead of schedule whereas the key to the Cambodian problem—the prevention of the genocidal regime's recurrence—was intentionally overlooked.

Besides, many constructive proposals have come from the government of the SOC—namely, the voluntary cease-fire, the cessation of foreign military aid, the organization of free elections...which constitute so many fundamental issues necessary for a genuine political solution.

The SOC welcomed UN missions and provided them with all amenities so that they could become perfectly informed on the country's current realities. In contrast, the other side, especially the Polpotist gang, always closes the door to all UN fact-finding missions.

The fact that the National Assembly of the SOC has amended the constitution and changed the flag and the name of the country constitutes another step forward leading to national reconciliation and toward a political settlement. Those are sincere concessions made at a time when the other side, which itself produces nothing, is demanding too many of them.

Conscious of its responsibility before the destiny of the country and in response to the sacred aspiration of the people as a whole, our National Assembly has examined in each session since the 18th (at the beginning of 1990) the question of the process toward a political settlement of the problem, and has put forward principles so that the Council of Ministers could lay a bridge toward a definitive cease-fire, the cessation of foreign military aid, and the maintenance of the political and military status quo before the holding of free, democratic elections in a neutral environment and under international supervision. At the same time, our National Assembly has approved a reasonable role of the United Nations in the settlement on the basis of respect for the UN Charter, guarantee for the impartiality of this organization, and prevention of the genocidal Pol Pot regime's recurrence.

Such is the constructive stance of the SOC in the correct, fair, and reasonable political settlement of the conflict made without coercion and on the basis of the current political and military realities in Cambodia and of respect for the attributions of the SNC. This stance aims at the only objective: to establish an independent, peaceful, sovereign, neutral, and nonaligned Cambodia.

So far, the other side has respected neither the spirit of agreements already signed nor the commitments already made. It has never proved a constructive stance and, as a matter of fact, it sticks to positions destined to block the negotiations.

The SOC's acceptance of most of the fundamental points in the draft agreement on the global political settlement of the Cambodian problem should be regarded as a highly responsible constructive stance.

Certainly, the respect for Cambodian sovereignty, the prevention of the genocidal Pol Pot regime's recurrence, and the military question must be subject to more in-depth further discussions before a reasonable agreement can be reached while respecting the principle that "the SNC represents Cambodia's sovereignty during the transitional period" and guaranteeing that the Cambodian people would not become victims of genocide again.

The objective of our debates today concerns the problems arising around a political settlement of the conflict. It is necessary to examine in detail the draft agreement worked out by the big five and the cochairmen of the Paris International Conference. The analyses must be based on the aspirations of the people, the situation in the region and the world, the charter of the United Nations, and the principle of respect for the Cambodian people's right to self- determination, and aimed at reaching a lasting, reasonable, and fair political solution to the Cambodian problem.

Another problem that our National Assembly must examine is the proposal made by the deputies during the recent 20th session. They proposed to the National Assembly, the Council of State, and the Council of Ministers to study the question of holding general elections in 1992 in case of the absence of a political solution and at the end of the current National Assembly's term.

So far, this proposal has been firmly supported by the masses, the armed forces, the United Front for the Construction and Defense of Cambodia, and other mass organizations who consider it as the implementation of the

right to self-determination of the Cambodian people living in an independent, sovereign, and democratic country and as the exercise of democratic freedoms by the Cambodian people, a sacred right of which no foreign circle could deprive them.

Military Activities in Week Ending 18 Feb

BK2702104691 Phnom Penh SPK in French 1114 GMT 26 Feb 91

[Text] Phnom Penh 26 Feb (SPK)—In the week ending 18 February, the armed forces in Siem Reap-Oddar Meanchey Province, about 300 km northwest of Phnom Penh, put out of action 64 enemy soldiers in countering attacks by opposing Cambodian factions in Varin and Sre Noy.

They killed 27 intruders, wounded 36 others, and took two prisoners. They also seized 13 weapons, 54 mines, and other military equipment.

During the same period, 12 reactionary Cambodian soldiers, including four Polpotists and eight Sonsannians, presented themselves to the provincial authorities, bringing along 13 weapons, three grenades, and five M-13 shells.

In the middle of the current month, the armed forces of Kompong Thom Province, north of Phnom Penh, during mopping-up operations, took 56 prisoners and seized 22 assorted weapons and a quantity of ammunition. In the meantime, 22 reactionary Cambodian soldiers were forced to surrender to the provincial authorities bringing with them 21 weapons.

National Councils Set Up in Villages, Communes

BK2802024091 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 Feb 91

[Summary] From 15 January to 15 February, cadres and combatants of our National Army of Democratic Kampuchea [NADK] and our people on the battlefields in Cheung Prey and Kang Meas Districts of Kompong Cham Province and in Kompong Leng District of Kompong Chhnang Province dismantled the administrative networks of the Vietnamese aggressors and the traitorous puppet ringleaders in 13 villages and two communes. They also killed eight Vietnamese-puppet soldiers, wounded 14 others, freed 104 village and commune administrators who have been forced to serve the Vietnamese aggressors and race exterminators, and seized a large quantity of weapons and ammunition. Our NADK comrades-in-arms and people also routed the Vietnamese-puppet attempts to seize our liberated zone and recruit youths and people on four occasions.

These brilliant victories won in the three above-mentioned districts were attributable to the facts that our NADK and people have struggled arduously and valiantly and have more effectively implemented the guerrilla warfare guidelines and the great national union directives and measures.

VONADK: SRV Defense Minister in Phnom Penh

BK0103020791 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 28 Feb 91

["Special report on the military, political, and diplomatic, maneuvers of the Hanoi Vietnamese enemy aggressors"]

[Text] There are clear reports that:

1. Le Duc Anh, defense minister of the Vietnamese aggressors, has arrived and is staying in Phnom Penh to encourage an increase in the number of Vietnamese troops from Vietnam to fight on the Cambodian battlefield.

2. On 20 February, Soviet ships arrived at Kompong Som port bringing further heavy war equipment for the Vietnamese and puppets on the Cambodian battlefield.

3. The Hanoi Vietnamese enemy has proposed that Vietnam, Laos, and Thailand stop being transport channels for warring forces.

Look at these reports. They clearly confirm that, on the one hand, the Vietnamese enemy is increasing the number of Vietnamese troops and war materiel to fight in Cambodia, and on the other, the Vietnamese call on others to stop transport activities, and so on. These are usual maneuvers on the part of the Hanoi Vietnamese enemy.

The Cambodian people and the world will not be taken in by the Vietnamese enemy aggressors; they will instead intensify attacks against the Vietnamese enemy on the battlefield in Cambodia and pressure Vietnam on the diplomatic front through the UN documents adopted on 28 February [as heard] and 26 November 1990.

VONADK Views National Assembly Meeting

BK0103054791 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 28 Feb 91

["Article": "The True Nature of the Theatrical Farce of the National Assembly Session of Vietnam's Puppets in Phnom Penh"]

[Text] 1. Vietnam's puppets and out-and-out lackeys in Phnom Penh have announced that Vietnam's puppet assembly in Phnom Penh will convene an extraordinary session soon to discuss the Cambodian problem.

2. This announcement has people really laughing. What is the true nature of the Phnom Penh puppet assembly? What does it know? What right and power does it have? It knows nothing and has no right or power. Its true nature is a smokescreen and a theatrical farce for the Hanoi Vietnamese aggressors to dupe world opinion. Everything, big or small matters in and outside the country, is decided and set up by the Hanoi Vietnamese while the Phnom Penh puppets only follow.

3. The Hanoi Vietnamese are bandits committing aggression against Cambodia and cannot avoid responsibility to

end their war of aggression in Cambodia. The UN General Assembly has adopted resolutions 12 times already condemning Vietnam and demanding that it withdraw its aggressor forces from Cambodia. The five permanent members of the UN Security Council have already adopted clear documents for a comprehensive solution. The Hanoi Vietnamese aggressors and their puppets and lackeys in Phnom Penh have no right to oppose or alter these documents.

Whatever maneuvers are adopted at this puppet assembly's session, staged by the Hanoi Vietnamese enemy, the latter cannot avoid the Security Council's documents. There is only one way to solve the Cambodian problem definitively and for Cambodia to have genuine and durable peace, namely:

1. Everyone, the Hanoi Vietnamese aggressors and the Phnom Penh puppets in particular, should fully implement the 28 August 1990 document and the 26 November 1990 document.

2. The problem should be solved comprehensively within the framework of the Paris conference.

Indonesia

Alatas Welcomes Cessation of Gulf Crisis

BK2802130891 Jakarta Domestic Service in Indonesian 1200 GMT 28 Feb 91

[Text] Indonesia welcomes the U.S. announcement representing the multinational coalition forces to end all hostilities in the Gulf beginning 1200 West Indonesia Time today and expressed the hope that there would be an immediate end to the war.

In a statement issued in Jakarta today, Foreign Minister Ali Alatas also welcomed the United Nations Security Council's decision to hold an emergency meeting. Iraq should officially present its formal acceptance of all UNSC [United Nations Security Council] resolutions during the meeting.

Foreign Minister Ali Alatas also stated that Indonesia welcomes the (?liberation) of Kuwait and [words indistinct] the UNSC.

Suspension of Gulf Military Operations Hailed

BK0103054391 Jakarta Domestic Service in Indonesian 0000 GMT 1 Mar 91

[Station commentary]

[Text] Ladies and gentlemen! Indonesia welcomed the announcement by the U.S. Government on behalf of the multinational coalition to suspend all military operations in the Gulf effective 1200 West Indonesian Time yesterday. In a statement in Jakarta yesterday, Foreign Minister Ali Alatas said the Indonesian Government welcomed the plan of the UN Security Council to immediately convene a meeting to officially accept Iraq's statement on its full compliance with all relevant UN Security Council resolutions. Thus, steps toward a cease-fire and a total end to the war can be taken. According to Minister Ali Alatas, Indonesia immediately expressed its joy over the liberation of Kuwait in accordance with the UN Security Council resolution.

What Foreign Minister Ali Alatas said is indeed in harmony with Indonesia's stand rejecting the settlement of the Gulf crisis by force as has now happened. Indonesia has disagreed with the use of force from the very beginning. Thus, efforts should be made to end the war as soon as possible. Indonesia's stand on the Gulf crisis is firm. Indonesia is opposed to the Iraqi invasion and occupation of Kuwait because this action is against the ten principles of the Bandung Conference and the principles of the Nonaligned Movement providing for respect for the sovereignty and territorial integrity of a country. Indonesia was even among the first countries to voice its stand on the issue while several Arab countries themselves were still undecided. On the other hand, Indonesia rejected Saudi Arabia's request for our country to send troops to join the U.S.-led multinational forces in the Gulf.

The free and active foreign policy encouraged Indonesia to play an active role in efforts for the settlement of the Gulf war through diplomatic channels. Indonesia's steps were, among other things, contacts with countries involved in the Gulf crisis to seek a peaceful settlement and avoid the use of force. Following the outbreak of the Gulf war, Indonesia took part in an informal meeting of 16 member countries of the Nonaligned Movement in Belgrade. The meeting initiated by Yugoslavia as chairman of the Nonaligned Movement (?even produced) various agreements, including a plan to send missions to various countries involved in the Gulf war. Indonesia's contribution after the Gulf war ends will be the dispatch of troops to join a peacekeeping force in the region.

Malaysian Prime Minister's Arrival, Itinerary

BK0103094391 Jakarta Domestic Service in Indonesian 0600 GMT 1 Mar 91

[Correspondent Sukarno Marno Report on the arrival of Malaysian Prime Minister Mahathir in Jakarta on 1 March]

[Text] Malaysian Prime Minister Mahathir Mohamed, his wife Datin Sri Siti Hasmah binti Haji Mohamed Ali, and a delegation arrived aboard a special plane at Halim Perdanakusuma International Airport at 1000 West Indonesian Time this morning. At the Halim Perdanakusuma Airport tarmac, Malaysian Prime Minister Mahathir Mohamed and his delegation were greeted by Foreign Minister and Mrs. Ali Alatas, Jakarta governor and Mrs. Wiyogo Atmodarminto, and Jakarta military region commander and Mrs. K. Harseno. The Malaysian prime minister and his delegation later proceeded from Halim Perdanakusuma to Merdeka Palace.

Upon arrival at Merdeka Palace at 1030 West Indonesian Time, they paid a courtesy call on the president and Mrs.

Suharto at Jepara Room of Merdeka Palace. Following a brief conversation, the president and Mrs. Suharto later took the Malaysian prime minister and his wife to the State Guesthouse for a brief rest. Malaysian Prime Minister Mahathir Mohamed performed Friday prayers at Istiqlal Mosque at noon. Malaysian Prime Minister Mahathir Mohamed and President Suharto will hold talks at Merdeka Palace from about 1600 to 1730 West Indonesian Time this afternoon. Minister and State Secretary Murdiono is expected to disclose the results of the talks, which will last about one hour and a half. Tonight, Malaysian Prime Minister Mahathir Mohamed and his wife will attend a dinner banquet to be hosted by President and Mrs. Suharto at Merdeka Palace.

Tomorrow morning, the Malaysian prime minister and his delegation will leave for Bali where he will attend a ceremony marking the inauguration of 75 tourist facilities at Bali Hilton International Hotel at Nusa Dua on Sunday, the third day of his working visit. In the evening, Malaysian Prime Minister Mahathir Mohamed will attend the opening by President Suharto of an international conference sponsored by the Asia Society at Nusa Indah Convention Center.

On Monday, the fourth day of his visit, he will deliver a speech at the Asia Society-sponsored international conference at Nusa Indah Hotel. In the evening, he will attend a dinner banquet to be hosted by President and Mrs. Suharto at Nusa Indah Hotel.

Malaysian Prime Minister Mahathir Mohamed and his wife will leave Bali for Batam Island in the morning of 5 March, the fifth and last day of his working visit to Indonesia. On Batam Island, the Malaysian prime minister and his delegation will attend a short briefing on the development of Batam Island to be given by Habibie, state minister for research and technology, as chairman of the Batam Island Development Authority. The Malaysian prime minister, his wife, and the delegation will return to Kuala Lumpur later in the evening.

Ladies and gentlemen! That's the agenda of the working visit of Malaysian Prime Minister Mahathir Mohamed and his wife Datin Sri Siti Hasmah binti Haji Mohamed Ali to Indonesia.

Bilateral Trade Cooperation With Romania Widens

BK2802074791 Jakarta Domestic Service in Indonesian 0000 GMT 28 Feb 91

[Text] Romania will import several Indonesian agricultural products including rubber and black pepper through the Indonesian (?market and trade) department in Jakarta.

A press statement issued yesterday in Jakarta by the Agriculture Department stated that Romania's desire to import the agricultural products was expressed by Romanian Minister of State for Industrial and Commercial Activity Anton Vatasescu during a meeting with Junior Agriculture Minister Syarifudin Baharshah [words indistinct].

The junior minister said bilateral trade cooperation is widening between the two countries.

Japanese Company Launches Oil, Gas Production

OW2802120791 Tokyo KYODO in English 1054 GMT 28 Feb 91

[Text] Tokyo, Feb. 28 KYODO—Japex North Sumatra Ltd. said Thursday it will begin commercial production of oil and natural gas in fields located 100 kilometers north of Medan City in Sumatra, Indonesia.

The Tokyo-based Japex, which is made up of firms including Japan Petroleum Exploration Co. and Indonesia Petroleum Ltd., is promoting the development of oil resources in northern Sumatra.

Although Japex has been continuing to look for oil and natural gas resources primarily in the mining areas of the sea near Medan in cooperation with the Indonesian state-owned oil company Pertamina, this will be the first time it has actually begun production.

The firm will begin producing 4,000 barrels of light crude a day at the fields either at the end of this year or the beginning of next.

It will also begin producing 200,000 cubic meters of natural gas per day in 1993.

The period of production is scheduled to last for about 10 years.

Japex will ship its share of the crude oil produced from the fields to Japan, while the natural gas will be sold to Indonesia for domestic use.

Philippines

Aquino Lauds Allied Forces for Freeing Kuwait

HK0103100591 Manila BUSINESS WORLD in English 1 Mar 91 p 12

[Text] President Aquino yesterday congratulated the multinational military coalition in the Middle East for its successful campaign to wrest control of Kuwait from Iraqi forces and for its announcement of a ceasefire pending Iraqi's total compliance with United Nations-enforced resolutions.

"We felicitate the multi-national forces in the Gulf under the resolute leadership of President Bush and the United States, and the Arab countries themselves—foremost of which is Suadi Arabia—for having successfully carried out the enforcement action mandated by the UN to free the Emirate of Kuwait," Mrs Aquino said.

In viewing the development as "a triumph of the forces of peace and of those principles that all humanity regard as right and just," Mrs Aquino reiterated the Philippines' support of "the measures announced by the UN-mandated forces to maintain the ceasefire and otherwise complete the enforcement of UN rsolutions on the Gulf crisis."

On a prospective note, Mrs Aquino said the Philippines "joins the rest of the world in wishing that the great task of putting in place the infrastructure for a lasting peace in that region will soon begin."

To this end, Mrs Aquino said the Philippines "stands ready to help in the difficult work of reconstruction, even as our strong presence of hundreds of thousands of workers attests to our commitment to the area's future."

Filipinos Join, Fight in Kuwaiti Resistence

Senator Seeks Benefits

HK0103115891 Quezon City Radyo ng Bayan in Tagalog 1100 GMT 1 Mar 91

[Text] Senator Leticia Ramos Shahani said the Kuwaiti Government should recognize the efforts of 300 Filipinos who joined the Kuwaiti resistance movement. She asked the Department of Foreign Affairs to hold a dialogue with the Kuwaiti Government regarding this matter. Jojo Ismael reports:

[Begin recording] In an interview, Shahani told Philippine Broadasting Service News that the Philippine diplomatic mission in Kuwait, led by Ambassador Mauyag Tamano, should hold talks with the government so that the 300 Filipinos who joined the Kuwaiti resistance movement will be given benefits. Twenty were killed during the war with Iraqi soldiers.

In this connection, a British businessman said thousands of Filipinos were stranded in Kuwait during the height of the Gulf war. They camped outside the Philippine Embassy and experienced many abuses from Iraqi soldiers. Meanwhile, a Filipino worker who refused to be identified said 20 Filipinos in the resistance movement died in battle. [end recording]

Iraqi Ties Not Affected

HK2802123691 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 28 Feb 91

[Text] Acting Foreign Affairs Secretary Manuel Yan assured that the relationship between the Philippines and Iraq will not be affected by the enlistment of Filipino workers in the Kuwaiti resistance force. He made this statement after one worker admitted his participation in the resistance group. Yan explained that Filipino overseas contract workers who joined the Kuwaiti force are not accountable before Philippine law. They voluntarily joined the group and it is their freedom of choice.

Two Groups Protest in Front of U.S. Embassy

HK0103122291 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 1 Mar 91

[Text] Bayan [New Nationalist Alliance] and the General Assembly Binding Women for Reforms, Integrity, Equality, Leadership, and Action demonstrated in front of the U.S. Embassy in protest of the continuing military bases in the country. At the same time they criticized the allied forces' attack on Kuwait and Iraq. Although they do not support Iraqi's annexation of Kuwait, they do not agree with the non-stop bombings which have killed many civilians. The demonstrators were led by Levi Nakpil Alejandro, Bayan secretary general.

Report on Government Reshuffling

HK0103080991 Manila MANILA BULLETIN in English 1 Mar 91 pp 1, 18

[By Marcia Rodriguez]

[Text] The joint technical committees of the Department of Budget and Management (DBM) and Congress have recommended the trimming down of the government departments from 17 to 12, Budget Secretary Guillermo Carague said yesterday.

But Carague added that the recommendation of the joint committee, which will need a legislative measure to carry out, is likely to be implemented only after President Aquino's administration.

The President, meanwhile, is expected to transfer officials from the Office of the President (OP) to other agencies and executive departments as part of the move to decongest and streamline the operations of her office, Malacanang sources said.

The sources also disclosed the resignation effective March 15 of Ernesto de Castro, head of the Project Facilitation Committee and project manager of the controversial P [peso] 85-million new Executive Building.

While the reason was not immediately known, they said it had nothing to do with the building project beside the Malacanang Premier Guest house which has been criticized in the Senate.

To replace De Castro as Project Facilitation Committee head is Rogelio Singson, an assistant of former Presidential Coordinating Assistant [PCA] Jose de Jesos. De Jesus is now secretary of public works and highways.

Diosdado Macapagal Jr. assistant of former PCA for economic and financial affairs Vicente Jayme, will be transferred to the Department of Finance as undersecretary. Jayme now serves as special adviser to President Aquino on financial matters.

Macapagal, son of the former president, will replace Finance Undersecretary Victor Macalincag who will assume the post of president of the Philippine Export and Foreign Loan Guarantee Corp. (Philguarantee).

Macalincag, who reportedly was concurrent Philguarantee president, will assume the post fulltime. The Philguarantee is the government's equivalent of the U.S. Eximbank or the Export Credit Guarantee Department of the United Kingdom.

Singson and Macapagal reportedly had to be moved with the abolition of the positions of De Jesus and Jayme as well

as the post held by former Executive Secretary Catalino Macaraig Jr. in the PCA system under Executive Order No. 446.

Another change in the Office of the President after Executive Secretary Oscar Orbos took over was the resignation of Elfren Cruz, head of the Presidential Management Service (PMS).

Cruz, who reportedly resigned due to differences with Orbos, was replaced by Deputy Executive Secretary Herminio Coloma who also heads the PMS.

The Cabinet Secretariat was absorbed by the PMS. Its former head, Cabinet Secretary Aniceto Sobrepena is now presidential assistant, coordinating visits of President Aquino to different communities.

Expected to be merged are the Department of Environment and Natural Resources (DENRA) with the Department of Agriculture (DA) and Department of Agriculture (DA) and Department of Agrarian Reform (DAR); Department of Public Works and Highways (DPWH) with the Department of Transportation and Communication (DOTC); Department of Tourism (DOTA) with the Department of Trade and Industry (DTI).

The other executive agencies are the Department of Finance (DOF), Department of Justice (DOJ), Department of Education, Culture and Sports (DECS), Department of Labor and Employment (DOLE), Department of National Defense (DND), Department of Health (DOH), Department of Interior and Local Government (DILG), Department of Social Welfare and Development (DSWD), and the Department of Science and Technology (DOST).

The Department of Budget and Management (DBM) is expected to be downgraded under the Office of the President.

Carague said the DOH, DECS, and the DPWH may have to be decentralized to facilitate the delivery of services to the grassroots.

Reportage on Multiple Posts for Officials

HK2802084891 Manila PHILIPPINE DAILY INQUIRER in English 28 Feb 91 pp 1, 10

[Text] President Aquino yesterday directed members of her Cabinet to stop receiving salaries for their extra posts in government corporations effective today.

Ms. Aquino issued the directive during a special Cabinet meeting at Malacanang.

The Supreme Court earlier declared as unconstitutional Executive Order No. 284, which allows Cabinet secretaries, undersecretaries and other officials of the executive department to hold additional posts and receive salaries for these.

Sen. Rene Saguisag, meanwhile, criticized the Supreme Court decision, claming some of the justices have lost the moral ground for issuing the ruling.

In a privilege speech, Saguisag also said the ruling was "discriminatory" since it does not cover members of both the judicial and legislative branches of the government.

"Is there a double or multiple standard?" Saguisag asked.

The tribunal excluded posts held by the Cabinet members in an ex-officio capacity or by virtue of their office.

Saguisag cited an instance when he was asked by Senate President Jovito Salonga to attend a meeting of the Task Force on the Administration of Justice in Malacanang and was given P [peso] 1,500 as allowance.

Saguisag said he returned the money, but he noted there were some justices who also attended the meeting and "apparently got double or at least more than was sent to" him. He did not name any of the justices.

"I worry for the next administration which may have some difficulty attracting the poor, talented and honest people to serve for six years without financial distractions due to the cost of living. Definitely, the compensation of Cabinet members should be increased," he said.

Solicitor General Francisco Chavez said the President ordered him to file today a motion asking the tribunal to give her 30 days to comply with the ruling.

Chavez said he was also asked to seek clarification on the ex-officio posts that may be held by Cabinet members.

The high court said such positions were legal so long as the officials did not receive extra pay.

"There are certain gray areas which have, to our mind, been left unresolved," he said.

Executive Secretary Oscar Orbos later told reporters that the President asked the Cabinet officials to remain in their extra posts pending the clarification of the tribunal's ruling.

Orbos said the order was issued so as not to delay important government projects.

Aquino Accepts Spokesman Azcuna's Resignation

HK0103084191 Manila THE MANILA CHRONICLE in English 1 Mar 91 p 1

[By Lito Zulueta]

[Text] President Aquino has accepted the offer of presidential spokesman Adolf Azcuna to resign as a result of a recent Supreme Court ruling banning multiple positions for Cabinet members, Palace sources said.

They said Azcuna's main reason for quitting was the financial losses he would incur if he would be asked to give up his other government posts as required by the High Court.

Assistant Press Secretary Ma Lourdes Siytangco confirmed that Azcuna had offered to resign, but added that the President has yet to act on it.

Siytangco said Vicente Jayme, the presidential assistant on finance and economy, had also offered to resign for reasons similar to that of Azcuna. Jayme is a director of the Manila Electric Co. and the Philippine represnetative to the board of the Asian Development Bank.

Siytangco said that if Azcuna gave up his Malacanang post, he would still retain his directorships in the San Miguel Corp [SMC] and the Development Bank of the Philippines.

But palace insiders said the President had allowed Azcuna to stay put only at the SMC, the giant food and beverage firm sequestered by the Presidential Commission on Good Government (PCGG) to defend the government's interests.

Sources said Azcuna's resignation is effective today, March 1, and he had already packed up his things in his office.

Another official said Azcuna had told him yesterday morning that "this is my last day."

Malacanang's refusal to confirm Azcuna's departure was apparently caused by the spokesman's resentment that his resignation was leaked to the press the other day.

According to the leaked reports, Azcuna, Jayme and Cabinet secretariat chief Anice to Sobrepena had resigned due to the High Court's ruling banning multiple positions.

Early yesterday, Press Undersecretary Horacio Paredes said he had talked to Sobrepena who denied he had offered to resign.

The High Court ruled that no Cabinet or sub-Cabinet official could hold extra-positions. While the court allows ex-officio posts, or posts attached to an officials portfolio, it stressed that officials could not draw extra salary for such positions.

A Cabinet member receivers a monthly net pay of P [peso] 18,000, while an undersecretary, P16,000.

Azcuna is considered the poorest Cabinet member. In 1989, he declared assets worth P300,000 and liabilities worth far less than that.

More on Spokesman's Resignation

HK2802121291 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 28 Feb 91

[By Tanny Rodriguez; italicized passages in English]

[Text] From the office of Assistant Secretary Lourdes Siytangco, we would like to ask her about the resignation of Presidential Spokesman Adolf Azcuna along with some others.

[Begin recording] [Siytangco] Tanny, what happened is that Secretary Azcuna submitted his resignation as presidential spokesperson. Secretary Vicente Jayme said he will submit his letter of resignation tomorrow. President Aquino has not yet acted on Secretary Azcuna's offer to resign. We will have to wait for the president's decision.

[Rodriguez] Does this have any relation to the recent Supreme Court ruling banning cabinet officials and appointed officials from holding several positions in government-owned and controlled corporations?

[Siytangco] *I guess so.* There is a direct relationship. *Secretary Azcuna said as much* as well as Secretary Jayme.

[Rodriguez] What would be the implications to the running of the executive branch if the president accepts these resignations?

[Siytangco] We will have a replacement for a presidential spokesman. As for Secretary Jayme, his position has been downgraded. His current post is presidential assistant for economic affairs. If the president decides, they will be replaced or the posts will be merged. *If you remember*, the restructuring of the Office of the President involved the merging of the cabinet secretariat and the Presidential Management Service. This may be part of the streamlining. *I'm sure* that the president's decision would not affect the running of the government.

[Rodriguez] That was assistant Press Secretary Lourdes Siytangco. [end recording]

New Soviet Envoy Hopes To Improve Relations

HK0103094191 Manila MANILA BULLETIN in English 1 Mar 91 pp 1, 23

[Text] The new Soviet ambassador to the country has vowed to improve relations between his country and the Philippines, especially in trade and economics.

Ambassador Vitaly Kuchuk, who presented his credentials to President Aquino, said yesterday that the two countries have "good mutual understanding" and there are "no political problems" between them.

"There is a lot we can do in the field of trade and economics," he said.

Kuchuk, 58, was appointed by Soviet President Mikhail Gorbachev to succeed Oleg Sokolov.

The new envoy is an expert on Southeast Asian (SEA) affairs. He was a senior staff member of the Soviet embassy in Malaysia from 1970 to 1975 and from 1977 to 1980 before he was nominated as minister-counselor of the Soviet embassy in Indonesia. He was head of mission there from 1985 to 1989.

Kuchuk was sector head and deputy head of the Soviet Foreign Ministry's Southeast Asian department from 1980 to 1985. From 1989 to 1991, he was deputy head of the Soviet Foreign Ministry's Pacific and SEA office.

An ethnic Russian, he graduated from the Central-Asian State University in 1957 and Higher Diplomatic School at the Soviet Foreign Ministry in 1970.

Kuchuk has the diplomatic rank of first class envoy extraordinary and plenipotentiary.

Special Forces' Strength Increasing to 10,000

HK0103094791 Manila MANILA BULLETIN in English 1 Mar 91 p 8

[By Aris Ilagan]

[Text] The Philippine Army will increase the strength of its Special Forces to 10,000 within the next three years to boost the AFP [Armed Forces of the Philippines] drive against New People's Army (NPA) rebels in the countryside.

This was disclosed yesterday by Maj. Gen. Lisandro Abadia, Army chief, as he stressed the need for more Special Forces troops to lead Civilian Armed Forces Geogrpahical Units (CAFGU) in protecting remote barangays against the NPA.

During the launching of the Special Force Cadre-CAFGU Detachment in Fort Bonifacio, Makati, Abadia said the Special Forces' strength is 3,700.

He added that the Army has intensified its recruitment for the command's elite striking force without sacrificing the quality of its graduates.

In a regular Army platoon, three special force members supervise eight CAFGU members during combat operations.

Meanwhile, Abadia said the new design of the Special Force Cadre-CAFGU detachment using cheap local construction materials will be used in the countryside in building houses for Army troopers and militiamen assigned to protect a barangay.

The detachment, which is designed with cottages, trenches for passages, perimeter walls, and even livelihood facilities, costs some of P [peso] 60,000, depending on the availability of construction materials like coco lumber, bamboo, and nipa.

The detachment, which can be occupied by at least 23 soldiers and militiamen at a time, also has medical and communication facilities.

Abadia said the design of the new detachment is in line with the austerity program of the AFP.

Reward for Renegade Soldier's Capture Doubled

HK2802120491 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 28 Feb 91

[Text] The Department of National Defense raised the reward for the capture of renegade Commodore Domingo Calajate from half a million pesos to one million. Defense Secretary Fidel Ramos announced this today. Josette Olivera reports:

[Begin recording] [Olivera] Ramos said his directive is based on the recommendation of Armed Forces of the Philippines Chief Lieutenant General Rodolfo Biazon, who cited Calajate's role in the mobilization of rightist forces after the failed December 1989 coup attempt, which included bombings in Metro Manila. Calajate is the chairman of the RAM-SFP-YOU [Reform the Armed Forces of the Philippines-Soldiers of the Filipino People-Young Officers Union].

[Ramos in English] The higher importance of Mr Calajate in his new capacity as chairman of the RAM-SFP-YOU Executive Committee, which is the ultra-rightist group's [URG] ruling body. [sentence as heard] The URG was also tagged as principally responsible for the spate of bombings against the government as well as against the various establishments of the business sector in 1990. [end recording]

Counterinsurgency Task Force Formed in Abra

HK2802123291 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 28 Feb 91

[Text] The Armed Forces of the Philippines formed Task Force Pagsubok [Trial] in Abra. Its aim is to carry out an intensified military operation against communist rebels in the province. Defense Secretary Fidel Ramos said the task force is composed of 827 men from the military and the police. The task force was formed following the ambush staged by communist New People's Army members on Philippine National Police [PNP] officials and men. This resulted to the deaths of nine policemen, including a 2d lieutenent. Task Force Pagsubok is led by Colonel Armand Agbayani of the Agra PNP, which is under the supervision of Cordillera Commander Brigadier General Juanito Acquias.

More on Task Force

HK0103101391 Manila MANILA BULLETIN in English 1 Mar 91 p 23

[BY Aris R. Ilagan]

[Text] Defense Secretary Fidel Ramos disclosed yesterday that a special task force has been formed by the Armed Forces of the Philippines (AFP) to launch military offensives against New People's Army (NPA) strongholds in three towns of Abra Province.

More than 25 persons—17 of them Philippine National Police (PNP) members—have been killed since Feb. 20 in clashes between NPA guerrillas and government troops in the towns of Lacub, Malibcong, and Tineg.

During a press conference, Ramos said "Task Force Pagsubok" was formed a augment the firepower of the Philippine National Police (PNP) in Abra. It will be headed by PNP Senior Superintendent Armand Agbayani of the Cordillera Regional Command (Crecom).

Stepped Up Attacks on Government Troops in Abra

HK0103121891 Manila THE MANILA BULLETIN in English 1 Mar 91 p 5

[By Robert Requintina]

[Text] The rebel New People's Army (NPA) has stepped up attacks on government troopers in Abra, reports said. In

just more than three weeks, they have fought with Philippine National Police (PNP) units four times, or about one encounter a week compared to last year's average of once a month.

On Jan. 28, they clashed with PNP units in Barangay Agsimado in Tineg Town with 16 killed and 19 rebels wounded.

Abra PNP Superintendent Manuel Raval identified the Tineg fatalities as Patti Pe Benito and Nuget Batwag.

The government lost militiamen Eloy Agon and Henry Libeng, deputy PNP superintendent Wilmer Panabang said.

On Feb. 20, the rebels struck at Barangay Lanao in Bucloc town but fled after one of them was killed by PNP operatives, Raval reported to PNP Cordillera Regional Command Director Juanito Aquias.

The fatality had no identification papers.

On Feb. 22, rebels fought twice with PNP units in Barangay Tui in Daguioman Town and again at Barangay Agsimao in Tineg.

Both rebel groups retreated with many wounded comrades, the units quoted residents as saying in their report to Raval and Panabang.

The rebel group in Daguioman even left behind their newly cooked meal, Raval said.

Raval added that some two kilos of marijuana reportedly from rebel-infested areas have been confiscated from two homes in Bangued.

PNP units under Senior Inspector Benjamin Bambico found the dope in the homes of Joseph Bisquera at 91 Partelo St. and of Raul Garcia in Barangay Patucanay.

Garcia, however, escaped, Mabico reported.

Southern Luzon Command Operations Detailed

HK0103120491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 1 Mar 91

[By Benjie de Galicia of Mobile Unit No. 20]

[Text] This is in connection with Solcom [Southern Luzon Command] operations, under General Federico Luis Jr.'s leadership, against the New People's Army [NPA] rebels.

According to the Command Information Office, during the past January and February, Solcom undertook 60 encounters against the NPA. They have registered the following: 45 rebels killed, 15 injured, 27 captured during a clash, 24 intercepted in various other operations, and 21 compelled to surrender.

Furthermore, it was reported that Solcom operatives were able to recover 50 high-powered firearms including 50-calibre machine guns and 19 locally made handguns. As of now, NPA operations against the military in Southern Luzon, including the Bicol Region, has declined up to 20 percent.

Communist Rebel Officer Reported Captured

HK0103093591 Manila MANILA BULLETIN in English 1 Mar 91 pp 1, 23

[By Leon Manipol]

[Text] Camp Nakar, Lucena City—Another officer of the New People's Army (NPA) with a P [peso] 120,000 price on his head has been captured by operatives of the Southern Luzon Command (Solcom) in Barangay Cambugan, Daet, Camarines Norte.

Solcom chief Brig. Gen. Federico Ruiz Jr. identified the captured NPA leader as Efren de Mesa, alias "Ka [Comrade] Teddy" and "Ka Larry," in a press interview in this camp. De Mesa was with his wife Evelyn.

Solcom Chief Intelligence Officer Joseph Malilay said that De Mesa is a member of the NPA Southern Tagalog Regional Party Commission which has been linked to several ambuscades, kidnapings, and attacks on civilians who refused to join or cooperate with the NPA.

De Mesa denied the charges against him. He claimed he was on the way to surrender to the authorities when captured by Solcom agents.

But Malilay said that De Mesa's capture was the result of a month-long surveillance of his movements.

De Mesa is now detained at the Solcom stockade while his wife Evelyn who has a child was released.

Meanwhile, Ruiz reported the filing of charges in court against 18 members of the Communist Party in Naga City, Camarines Sur. Some of them were identified as Bino Dacer, Ernesto Bernarte, Vivian Bernarte, and Federico Coronel.

Defense Secretary on Weakening Communist Threat

HK0103120091 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 1 Mar 91

[Text] Defense Secretary Fidel Ramos today reported that, in the past four years and up to the first two months of 1991, the communist rebels' strength has continued to weaken. He attributes this to the intensified counterinsurgency campaign.

[Begin Ramos recording in English] Insofar as enemy parameter is concerned, it has been a very significant, and indeed traumatic, decline of the communist insurgency around the country, up to the end of 1990. And for the first two months of 1991 the same declining threat is also taking place. [end recording]

Government Use of Aid Funding Discussed

HK0103085591 Manila PHILIPPINE DAILY INQUIRER in English 1 Mar 91 p 4

[Editorial: "Winning Creditors' Approval Not Enough"]

[Text] The Philippines no doubt received a strong vote of confidence from the international community with their pledges to contribute some $3.3 billion to the Philippine Assistance Program [PAP]. And the administration can rightfully claim a lot of credit for clinching these commitments.

But Philippine officials can't go strutting around as if the success of the pledging session in Hong Kong was a vindication for the administration. For the fact is Philippine economic planners got some not-so-gentle reminders about their failures and shortcomings.

A World Bank representative told the INQUIRER the financial package would have been bigger if previous contributions to the PAP were fully utilized. He was referring to some $600 million pledged during the 1989 session in Tokyo which donors refused to release because the project proposals submitted by the Philippines were deemed unworthy of financing.

Elliot Richardson, the U.S. representative in the Hong Kong session, delivered what sounded like an ultimatum, when he said: "The Philippines must become an internationally competitive country—that is our main message here. It must catch up with other Asian tigers."

Thus, if the fresh outpouring of support was a manifestation of faith, it was faith in the country's future and its economic potentials. After all, decision-makers in international finance are not known to be in the habit of throwing good money after bad. Maybe, just maybe, they do not consider the country a "basket case" yet, like some observers do.

However, the larger challenge to the administration is not to win continued approval from donors or lenders, even if their seal of approval does not hurt; it is to make government economic programs work for the benefit of Filipinos.

In the case of the PAP package, the administration must perform a neat balancing act between the prescriptions of creditors, like the IMF, and the needs of the people, particularly the poor.

If foreign assistance is being offered on condition that the Philippine market is opened wide to imports, including items that are heavily subsidized by foreign governments, our officials must be quick to tell donors to keep their money. For instance, bowing to the World Bank suggestion that Filipinos shift from rice to bread would throw farmers out of jobs, diminish their incomes and further strain the country's foreign exchange reserves.

Other conditionalities set by lenders can be met without exacting too much from the people if the government were not inclined to take the easy way out. Reducing the budget deficit, for example, does not always require adopting new measures to raise revenues. The same result can be achieved by cutting expenditures. Streamlining the bloated bureaucracy and checking graft and corruption, which has been estimated to raise costs of projects and supplies by as much as 30 percent, will cut the deficit without sacrificing public services.

Just as vital as securing the dollars is investing them in projects that make a difference in people's lives. Despite the PAP and other foreign loans a growing number of Filipinos, or 70 percent according to the latest survey, believe they are poor. This is because jobs are hard to come by, prices are rising and public utilities are inefficient. The PAP money and every resource that can be spared should be used to ease these problems or lay the foundation for their solution even if such measures would bear fruit only during the next administration.

Study Shows 'Vast Potential' for Oil Found

HK0103095991 Manila BUSINESS WORLD in English 1 Mar 91 p 2

[Text] The Philippines is now becoming one of the most exciting places to conduct oil exploration tests following the results of a World Bank funded study which showed the potential of Philippine geology for oil exploration.

Office of Energy Affairs (OEA) executive director Wenceslao R. del la Paz told Business World yesterday that based on the independent evaluations of the oil exploration companies, Philippine geology shows a vast potential of oil deposits.

"We are currently upgrading our database on the possible oil fields in the country as identified under the study funded by the World Bank," he said.

This study which showcased the country's oil deposit potentials is being marked abroad by the OEA to the different oil exploration firms.

In addition, Atty. [Attorney] de la Paz said the country has one of the best production-sharing schemes whereby the investor is allowed to first recover his investments during a certain period of time. After which, roughly 60% will go to the government and 40% will be retained by the investors.

Scheduled Drillings

At present, the country is drawing investors as seen in the drilling schedules made by the OEA. For the first quarter of the year, there are five scheduled drillings.

Shell Petroleum Exploration, Inc., a subsidiary of Shell Exploration B.V. of Netherlands is waiting for the rig which will drill the first we!! to determine the natural gas reserves in Palawan.

Petrocorp is set to drill in Calauit 1 also in Northwest Palawan along with Kirkland which will commence drillings in offshore Mindoro by late March.

British Petroleum will be start drillings in Cliffhead in West Palawan using the Nedrill-2 drillship.

Lastly, Philodrill is scheduled to hunt further for black gold, this time, in Sulu Sea. Philodrill has recently concluded-drilling in Octon well in Palawan. Although, Octon did not produce significant oil flows, it showed natural gas reserves with oil condensates.

Seventeen Senators Favor Marcos' Return

HK0103092591 Manila PHILIPPINE DAILY INQUIRER in English 1 Mar 91 p 9

[Text] Seventeen senators yesterday favored the return of former first lady Imelda Marcos, following a statement made by Armed Forces Chief of Staff Lt. Gen. Rodolfo Biazon that she is no longer a threat to national security.

Led by Senate President Jovito Salonga, the senators said the former first lady should be allowed to return to the country and face charges here.

Aside from Salonga, those who supported the return of Mrs Marcos were Senators Vicente Paterno, Orlando Mercado, Ernesto Maceda, Rene Saguisag, Leticia Ramos Shahani, Santanina Rasul, Alberto Romulo, Sotero Laurel, Aquilino Pimentel Jr., Teofisto Guingona, Mamintal Tamano, Neptali Gonzales, Wigberto Tanada, Joseph Estrada, Agapito Aquino and opposition Sen. Juan Ponce Enrile.

"If she wants to come back, she should time it during the campaign period so that her intentions are clear—that she is not here to destabilize but to participate in the elections," Paterno said.

"I'm open (to the suggetion). Imagine, she will be spending her money here rather than at the Waldorf Astoria," said Saguisag.

"That return had been my position even before. Let her come home because it is a violation of her human rights not to allow her to come home," said Tanada.

"She's (Mrs Marcos) never been a threat, how can one person be a threat?" Erile said.

Salonga had earlier opposed the return of Mrs Marcos because of the pending racketeering charges filed against the former first lady in New York.

But interviewed by reporters in the Senate yesterday, Salonga said there appeared to be no indication that Mrs Marcos still posed a threat to national security.

Pimentel, on the other hand, said Mrs Marcos' return could lead to national reconciliation, a promise which the opposition claimed the Aquino administration does not intend to fulfill.

Maceda, however, said he does not beleive Mrs Marcos seriously wanted to come hom.

"Otherwise, she (Mrs Marcos) could have filed a case in the Supreme Court and like Gretchen Cojuangco (Marcos crony Eduardo Cojuangco Jr.'s wife) would have won," said Maceda.

Thailand

General Sunthon Signs Draft Constitution

BK2802140191 Bangkok Army Television Channel 5 in Thai 1320 GMT 28 Feb 91

[Text] The head of the National Peacekeeping Council [NPC] has signed the draft constitution for submission to the king for consideration and approval. At 1300 today at the National Peacekeeping Council Headquarters, General Itsaraphong Nunphakdi, secretary general of the NPC, presented the draft constitution to the head of the NPC for his signature for further submission to the king for consideration and approval.

Using the authority to exercise the power of the prime minister and the cabinet per announcement No. 30 of the NPC dated 26 February, the NPC also signed several documents which will yield swift benefits to the country and people.

The PRC becomes the first country to recognize the NPC and affirms its intention to further develop relations between the two countries. Chinese Ambassador Li Shichun called on Gen. Sunthon, head of the NPC, and NPC Secretary General Gen. Itsaraphong at the Army Operations Center today to declare his country's recognition of the action of the NPC on behalf of the Thai Government as correct and just and to reaffirm obligations to explore cooperation to further promote good relations between the two countries. Gen. Sunthon thanked the Chinese Government for the recognition and agreed to cooperate to further promote bilateral relations and to honor the obligations existing between the two countries.

King Urges Alterations

BK2802134591 Hong Kong AFP in English 1319 GMT 28 Feb 91

[Text] Bangkok, Feb 28 (AFP)—Thailand's King Phumiphon Adunyadet has called for alterations in the temporary constitution drawn up by the military junta, well-informed sources said here Thursday.

After studying a draft of the constitution the king suggested several changes but exact details have not been revealed.

One source said the called for changes were not major.

A revised final draft is expected to be presented to the king on Friday for his official approval.

A spokesman for the National Peacekeeping Council (NPC) declined to comment on any possible changes.

The 32-article constitution will be used to govern the country until a new constitution is drafted by the interim

government together with the National Legislative Council (NLC), a law-making body set up under the NPC.

The king has also been given the list of civilian appointees to the interim government for his approval.

Supreme Commander General Sunthon Khongsomphong submitted the list to the monarch at his summer palace in the northern capital of Chiang Mai late on Wednesday, said an NPC spokesman.

"But the proposed list has not yet been approved or counter- signed by his majesty the king," the official said, declining further comment.

One source said that until the provisional constitution is officially signed the king cannot formally approve the new government list made up of prominent civilians, including several senior figures who worked under former Prime Minister Prem Tinsulanon.

Sunthon: Foreigners Hired To Create Disturbances

BK0103142391 Bangkok Army Television Channel 5 in Thai 1230 GMT 1 Mar 91

[Text] General Sunthon Khongsomphong, head of the National Peacekeeping Council [NPKC], said that nationwide martial law has not been lifted because the opposition has engaged in secret activities by hiring foreigners to create disturbances in the country in order to show that the NPKC has not been able to control the situation.

[Begin recording in progress]...[Correspondent] [Question indistinct]

[Sunthon] Not violent, but underground.

[Correspondent] [Question indistinct]

[Sunthon] Foreigners have also been hired to perform a certain mission.

[Correspondent] What is the mission?

[Sunthon] To create disturbances.

[Correspondent] What is the nationality of the foreigners concerned?

[Sunthon] I would rather not say. They were hired to perform a mission.

[Correspondent] Do they intend to inflict physical harm on you?

[Sunthon] Anything they can do to topple us.

[Correspondent] [Question indistinct]

[Sunthon] All of us in the NPKC. Then they will create a disturbance to show that we cannot control the situation.

[Correspondent] Does this mean that martial law will continue?

[Sunthon] It must continue. [end recording]

Suchinda Responds to Criticism From U.S. Senator

BK0103024591 Bangkok BANGKOK POST in English 1 Mar 91 p 6

[Text] Army Chief Suchinda Khraprayun yesterday brushed aside scathing criticism of the coup by a US senator.

Gen Suchinda said the American politician—who described the change of power as "tragic"—was commenting on Thai internal affairs without adequate knowledge of the country.

"What does the US senator really know outside his home? He does not really know anything," Gen Suchinda said.

The army chief's comments were in response to a statement by Senator Daniel Moynihan in the US Senate on Wednesday.

Sen Moynihan urged the Bush administration to condemn the military takeover in Thailand and to cut anti-narcotic aid to the kingdom.

Laughing off Mr Moynihan's call, Gen Suchinda said that it might be good for the US to cut off anti-narcotic aid to Thailand.

The army chief said Thailand is an independent country and was unlikely to be hurt by such a cut.

Gen Suchinda said the Foreign Ministry was doing its job to clear up any possible negative image which might have resulted for the country from the military takeover.

He said the US ambassador to Thailand was the person who could best explain the situation in Thailand to the US Government.

China yesterday sent its ambassador to the NPKC [National Peacekeeping Council] to assure the military junta that Beijing recognises the military administrators.

"Thailand is the first country to extend recognition to us," Gen Suchinda said.

The US administration, although still concerned as to which direction Thailand is heading politically, has expressed satisfaction with the moves undertaken so far by the NPKC toward re-establishing a democratic government.

A Bush administration official told POST correspondent Phonphimon Kanchanalak in Washington on Wednesday that so far the US has no immediate plan to cut off other aid to Thailand, besides the $16.4 million military-economic assistance for 1991 that was suspended in accordance with the US Foreign Assistance Act.

The official said the US will be guided in its next step by what Thailand does.

The official said if the NPKC makes good its word regarding moving Thailand toward full-fledged democracy, there will be less pressure on the administration from many quarters in the US to impose suspensions in other areas.

Sen Moynihan (Democrat) in his statement—which was placed on the Congressional Record on February 27—said he was "profoundly disappointed" to hear about the military takeover.

He called on the US administration to condemn it loudly.

Sen Moynihan also referred to a news report and editorial from the NEW YORK TIMES which were very critical of the coup.

Describing the power seizure as "tragic," Mr Moynihan said the move was a blunt setback for growing Thai democracy.

Thailand was listed as "free" in the 1989-1990 report of Freedom House, but the situation was no longer true after the military takeover, he said.

Relations with the US, which have already been strained by trade disputes, have entered a period of crisis, he said.

This would end only after democracy was restored, he said.

"I hope that day is soon," Sen Moynihan said.

Suchinda Discusses U.S. Media Allegation

BK2802145891 Bangkok Domestic Service in Thai 1200 GMT 28 Feb 91

[Text] Today Army Commander General Suchinda Khraprayun, in his position as deputy head of the National Peacekeeping Council [NPC], was asked about the report in U.S. media that Thai soldiers engaged in trading activities along the border and gave protection to narcotics traffickers, and about the media suggestion that U.S. financial assistance for narcotics suppression in Thailand be cut. General Suchinda said the report does not damage Thailand and that the Thai media must help to present accurate reports. Asked to comment, General Suchinda said the writers of the report knew nothing about what goes on outside their country. Asked if the Foreign Ministry should try to get the United States to understand Thailand correctly, Suchinda said the Foreign Ministry has been acting on this issue and that it should be the duty of the U.S. ambassador to explain the real situation in Thailand.

Suchinda said the Chinese ambassador called on the head of the NPC today to inform him of his government's recognition of the NPC.

Asked if the constitution will be announced tomorrow, Suchinda said yes.

More National Peacekeeping Council Announcements

35th on Civil Service Act

BK0103071991 Bangkok Army Television Channel 5 in Thai 1053 GMT 28 Feb 91

[Thirty-fifth Announcement of the National Peacekeeping Council; signed by General Sunthon Khongsomphong, head of the National Peacekeeping Council—live or recorded]

[Text] To ensure the effective management of civilian personnel, the National Peacekeeping Council orders that the Civil Service Commission Act of 1975 be amended as follows:

1. Article 44 of the act, amended by announcement No. 19 of the National Revolutionary Council dated 8 November 1977, is rescinded and replaced by the following:

Article 44. Posting and appointment of civilian officials are to be under the authority of the following officials:

(1) Posting and appointment of grade 11 officials is to be proposed by the head of the ministry concerned to the cabinet for consideration. After approval, the head of the ministry of the official involved is to issue the posting order. The prime minister is to submit the posting document for royal appointment.

(2) Posting and appointment of grade 10 officials is to be proposed by the permanent secretary of the ministry concerned to the head of the ministry for consideration. After approval, the permanent secretary is to issue the posting order. The prime minister is to submit the posting document for royal appointment.

For posting and appointment of grade 10 officials of agencies at department level which are independent of jurisdiction of any ministry or bureau or which come under direct jurisdiction of the prime minister, the directors general of the departments concerned are to propose the posting or appointment to ministers concerned for submission to the cabinet for approval. After approval, the directors general concerned are to issue the posting order and the prime minister is to submit the posting document for royal appointment.

For posting and appointment of grade 10 officials in the Office of Ministerial Secretariat and the Royal Institute, the minister concerned is to submit the name of the proposed to the cabinet for approval. After approval, the minister concerned is to issue the posting order, and the prime minister is to submit the posting document for royal appointment.

(3) Posting and appointment of officials at the grade 8 and 9 levels is to be under the authority of directors of the concerned department, after obtaining the approval of the permanent secretaries concerned. For posting and appointment of grade 8 and 9 officials of department-level agencies which do not come under the jurisdiction of any ministry or bureau or which come under direct jurisdiction of the prime minister, the director generals of the agencies of the officials concerned are to have the authority.

(4) Posting and appointment of officials at grade 9 or below in the Office of the Ministerial Secretariat and the Royal Institute is to be under the authority of the ministers concerned.

(5) Posting and appointment of officials at grade 7 and below is to be under the authority of the directors general or officials authorized by the directors general.

(6) Posting and appointment per articles Nos. 38 and 49 to grade 7 posts of officials who are not heads of government agencies at the provincial level is to be under the authority of the governors.

Reports must be made justifying proposed posting and appointment of civilian officials in compliance with Civil Service Commission regulations.

Announced on 28 February 1991

[Signed] General Sunthon Khongsomphong, head of the National Peacekeeping Council

37th Grants 'Sweeping Tax Cuts'

BK0103031591 Bangkok BANGKOK POST in English 1 Mar 91 p 1

[Excerpt] The new military regime has moved swiftly to head off growing criticism of the coup by introducing sweeping tax cuts.

The National Peace-keeping Council [NPKC] last night announced changes to the Revenue Code so deductible expenses could be increased.

This would leave more take-home money in taxpayers' salary cheques.

The council also instructed the Ministry of Commerce to consider cutting oil prices in the light of the end of the Persian Gulf war and crude oil price reductions on the world market.

Domestic oil prices were last increased on September 25 last year,ranging from 5 to 35.8 percent, bringing the price of premium gasoline from 8.75 baht to 11.05 baht per litre.

The NPKC said in Announcement No. 37 the existing income tax law was unsuitable for the circumstances.

It needed to be amended to ease the burden on taxpayers, the announcement said.

Under the announcement, effective retroactively as of January 1, 1991, the deductible individual expense for a taxpayer is maintained at 30 per cent, but the total amount must not exceed 60,000 baht, against 50,000 baht as stipulated in the Revenue Code. [passage omitted]

Military Leadership Issues Circular on Name

BK0103023191 Bangkok BANGKOK POST in English 28 Feb 91 p 3

[Text] The ruling military council yesterday issued a circular formally setting its name in English as the National Peace-Keeping Council (NPKC).

Under the circular, the NPKC Headquarters has the following agencies as its official arms:

—The National Policy-making Committee;

—The Board of Advisers;

—The NPKC;

—The Office of the Secretariat;

—The Internal Peace-keeping Command;

—The Security Authority;

—The Economic Authority;

—The Socio-Psychology & Technology Authority.

Party Leader Resigns Over Corruption Probe

BK0103030591 Bangkok THE NATION in English 1 Mar 91 p A4

[Text] Disgruntled Gen Thianchai Sirisamphan resigned as leader of the Ratsadon Party yesterday after the military junta included him in a list of 22 politicians facing a probe for alleged corruption.

Thianchai, who was education minister before Saturday's coup toppled the Chatchai government, said he decided to quit politics because the corruption investigation badly damaged his reputation.

"It's enough for me. I'm hurt and very disappointed," the former commander of the Lopburi-based Special Warfare Centre told reporters visiting his residence in Soi Prachanimit, Phahonyothin Road.

Thianchai had lunch with about 20 family members yesterday. "Everybody is shocked and sad. Nobody thought this would ever happen to us," he said.

Thianchai said he had submitted his resignation letter to party headquarters and had informed Ratsadon Secretary-General Mana Rattanakoset of his decision.

Thianchai said there had been no reaction from Ratsadon members as most of them had not yet been aware of his decision.

There had been speculation that Thianchai, who helped to crush a coup attempt in 1985, was among possible candidates for the post of caretaker prime minister to head the country until a general election is held.

Thianchai sarcastically dismissed the speculation yesterday.

"Who would want a guy with a blemish like me to become prime minister?" he said.

Apart from Thianchai, former deputy interior minister Watthana Atsawahem is another senior Ratsadon member named in the alleged corruption list that also includes nine Chat Thai members, five Social Action members and three Democrats.

Thianchai is among four party leaders on the list. The other three are Solidarity leader Narong Wongwan, Prachakon Thai leader Samak Suntharawet and Muanchon leader Chaloem Yubamrung.

Thianchai said he started giving serious thought to leaving the party post after learning through unconfirmed reports that he would be among those facing graft investigation.

He also questioned the extent of publicity being given to junta's avowed campaign against "corrupt politicians".

"Those who are not facing investigation will never know how I feel. People won't care about the results of the probe. Just announcing who are being investigated is enough to destroy their reputation," he said.

Thianchai, however, added that he was willing to cooperate with the investigating committee set up by the junta.

The National Peacekeeping Council [NPKC], as the junta calls itself, has instructed commercial banks to freeze the bank accounts and other assets of the 22 politicians on the list.

"I have evidence to show that every baht I own has been acquired legally," Thianchai said.

He urged the military junta to be more cautions in its attempts to eliminate corruption".

"People are watchaing. They (the generals) must be very careful," Thianchai said.

The National Peacekeeping Council asked the public yesterday to give it evidence of corruption which can be used against politicians.

"There'll be big fun. Just believe me," Thianchai said. "Now enemies will have the chance of openly hitting each other in the face."

The junta cited corruption in the previous administration as one of the reasons for the coup.

NPKC spokesman Col Banchon Chawansin said yesterday those facing corruption investigation should be glad "now that they have a chance to clear themselves".

Burmese Envoy Presents Letter of Recognition

BK0103151391 Bangkok Army Television Channel 5 in Thai 1230 GMT 1 Mar 91

[Text] Burmese Ambassador to Thailand U Nyunt Swe paid a courtesy call on General Sunthon Khongsomphong, supreme commander and head of the National Peacekeeping Council at the Supreme Command Headquarters at 1000 today to extend congratulations and to present a letter of recognition from General Saw Maung, Burmese prime minister and commander in chief of the defense services, to General Sunthon. On the occasion, the supreme commander and head of the National Peacekeeping Council welcomed the Burmese ambassador and thanked the Burmese Government for recognizing the National Peacekeeping Council.

BANGKOK POST Commentary Examines Constitution

BK0103033791 Bangkok BANGKOK POST in English 1 Mar 91 p 4

[By Disathat Rochanalak]

[Text] In drafting a new Constitution—which the ruling National Peace-keeping Council (NPKC) pledges to do to put the country back on a democratic course in six months—legal experts put in charge of the task will have to decide what needs to be changed and to what extent.

Likely to stir up controversy and be subject to extensive public debate is a proposal—seen by its supporters as a once-and-for-all remedy to vote-buying—to bar MPs from holding the additional post of Cabinet minister and vice versa.

The NPKC has made it clear that the main thrust of the new Charter will be the elimination vote-buying, which has been said to have worsened in previous elections and given rise to alleged rampant corruption among politicians.

Allegations of wrongdoing were levelled against some Cabinet ministers in the ousted Chatchai government for abusing their authority concerning government contracts on large projects and "recouping their investment" after getting elected.

Those who prefer the exclusion of MPs from ministerial jobs contend it would discourage vote-buying since it would be fruitless for politicians to buy their way into Parliament because their status would no longer be a prerequisite for appointment to the Cabinet.

In fact the idea if included in the new Charter, would produce a sweeping change with far-reaching effects on the country's political system.

Under the proposed system, the president of Parliament would recommend a person with support of the majority of House of Representatives for premiership to His Majesty the King for approval.

This is where the similarity of the exclusion and the Constitution abolished following the military takeover last Saturday, ends.

Once his policy statement is approved by Parliament, the prime minister-designate would then select members of his Cabinet from either MPs or non-MPs.

Those who are MPs—including the prime minister, if he is one—would automatically relinquish House membership upon assuming the posts and by-elections would be held to fill the seats left vacant.

Formerly, Cabinet ministers were nominated under quotas of different coalition partners regardless of consent from the premier, who wielded little influence on most of his colleagues.

Instead, the prime minister, given a free hand in this case, would be able to handpick qualified persons with integrity and successful careers in their respective fields to form the Cabinet.

Cabinet ministers would be directly responsible to the prime minister, not to Parliament. As head of government, the premier would take full responsibility when Parliament initiates a no-confidence motion to oust the government.

Thus the administration would not be placed under constant pull-out threats by its coalition partners as in the past.

"No longer would we need to be worried about too many political parties being represented in Parliament or about (the instability of) a coalition government," said political scientist Phongphen Sakuntaphai, one of the proposal's staunch proponents.

To counterbalance the administrative power, Parliament will wield power through traditional means including permissible refusal to endorse the budget and other important government-initiated bills.

On the other hand, Parliament would not be able to stall on the nomination of a candidate for prime minister, but would need to conclude it within a specified period of time or face "automatic dissolution."

It is evident that advocates of the exclusion proposal want to give greater leverage to the adminstrative branch as opposed to the legislative, hoping the country would earn a predominantly technocratic government which would be more efficient and decisive.

"We can no longer afford to stay put with the classic parliamentary system, in which a Cabinet consists only of MPs.

"In a modern democratic system, the administrative power should be paramount. We have had a wrong notion that supreme power must be accorded to the legislative," Dr Phongphen said.

He insists parliamentary role would not necessarily be reduced since it would still be monitoring and checking on government performance and that only the House of Representatives might be necessary. The country could do away with the Senate, which has been instrumental in attempts by some insitutions to hold on to their waning influence, he said.

Despite these merits, the proposed separation of MPs and Cabinet ministers may prove unpopular as it assaults the underlying assumptions of mainstream democratic thinking.

Political analysts point out that the proposal would reduce the significance of Parliament—an institution of dignity and manifestation of the poeple's will.

Unless proper arrangements are worked out on cooperation and check-and-balance relations between Parliament and the Government, the former could merely be a rubber stamp, observers said.

"Measures must be devised to upgrade the status of MPs in terms of rewards and honours to make up for the loss of its privilege and to keep Cabinet ministers from being too powerful," an academic said.

A strong government has also been unfavourably viewed by those who advocate decentralisation in administration as a long-term remedy to political and social ills.

After a long history of domination by traditional power brokers, namely the military and permanent government officials, some sectors might be opposed to the prospect of a strong government.

Besides, the proposal barely addresses a long-held faith in the importance of political parties as the foundation of the democratic system.

It does not emphasise the strengthening of political parties as much as the broad-based support of the prime minister, although leading a well-organised political party would help boost one's chances for nomination.

After all, because of its possible ramifications, the separation of MPs and Cabinet ministers would stir up mixed opinions in the Thai polity. To supporters, the idea seems promising and effective, but the change could be too drastic for skeptics.

There are also other points of possible change which are worth consideration and debate, and their inclusion in the constitution and the election law may contribute to the system's overall improvement. These include:

—Adoption of proportional representation, in which parliamentary seats would be alloted to political parties in proportion to votes acquired in a constitutency.

—Introduction of the one-man one-vote principle to replace that which allows a voter to elect as many as three candidates in a constituency, as per the current election law.

—Introduction of an independent body to supervise general elections.

—Tightening law enforcement regarding violations of the election law and vote-buying.

—Introduction of election to the Senate, which has been dominated by appointed members from the military and permanent officials.

However, analysts say all these changes would make general elections cleaner and fairer, but would not decisively eliminate vote-buying.

In the long run, better education and political awareness among citizens who recognise the importance of their voting rights, would be most effective against vote-buying.

Still, the drafting of a new constitution offers the rare opportunity for a fresh start in developing a workable election system. As one political scientist put it: "Like it or not, we should take advantage of such an opportunity, which rarely comes by."

"It is a great opportunity if we bear in mind lessons of past mistakes under previous constitutions," Dr Phongphen said.

THE NATION Commentary Says Coup Justified

BK0103035791 Bangkok THE NATION in English 1 Mar 91 p A10

[Commentary by Toemsak C. Palanupap entitled: "The end justifies the means"]

[Text] Assassination, capital punishment and war are among many things in this imperfect world that are morally unjustifiable. Coups d'etat are another.

Many Western governments quickly "condemned" the military takeover in Thailand last Saturday and "deplored" the sudden demise of the "elected civilian government" of Gen Chatchai Chunhawan.

Those Western government officials writing their reaction statements are so far from the Thai political scene that their ignorance can be forgiven. But their ambassadors here couldn't have failed to take note of the fact that the Chatchai coalition had only the appearance of democracy and most of the government MPs won election through vote-buying and bribing poll supervisors.

Worse still, once they were in power, those "representatives" concentrated mostly on enriching themselves and their political parties by peddling influence and abusing their power. Now at least 22 former ministers are under investigation by the Sitthi Committee, an omnipotent anti-graft body set up by the National Peace-Keeping Council.

Under the previous political system, we could only hope against hope that the prominent politicians, some of whom openly boasted about having a net worth exceeding Bt [baht] 1 billion, would someday explain how they managed to acquire so much wealth in just a few years. People did suspect corruption, but, as Gen Chatchai would casually remark "where are the receipts (for bribes)?"

The burden of proving corruption was on the accuser while the power to deny access to official records and other information was in the hands of the suspects or their friends in government. The Counter Corruption Commission [CCC], the official anti-graft body under the PM's Office, could do little even if it found sufficient evidence of wrongdoing. Many of the CCC's recommendations for punitive action were ignored and shelved by ministers and by Chatchai himself.

Now the tables have been turned on the wealthy politicians. The burden of proof will be theirs, as they will have to convince the Sitthi Commission that they acquired their wealth legally and paid their income tax promptly. If they were as "honest" as they have always claimed, they just need to show us their income tax receipts.

For argument's sake we can use National Peacekeeping Council deputy chief Gen Suchinda Khraprayun's comparison of the Chatchai coalition with the Marcos administration of the Philippines. Ferdinand Marcos "won" the presidential election in 1986, didn't he? And since Western governments seem to take appearance as the main criterion, why didn't they also "condemn" the military rebellion in Manila which eventually propelled Corazon Aquino into power? Wasn't Marcos also an "elected civilian" leader toppled by force?

In Saturday's coup, the Chatchai coalition had only itself to blame. Chatchai had his chances while in power during the past 30 months to create genuine legitimacy by serving national interest and generate popular support for the parliamentary system. But he failed miserably when he showed complacency to all the corruption scandals around him.

He did dismiss two deputy ministers (Santi Chaiwirattana and Phinya Chuaiplot, both of whom are now among the 22 being investigated by the Sitthi Committee). He even reshuffled some questionable Cabinet members and brought in three outsiders to improve the sagging image of his administration.

However, all his attempts fell short of winning back public confidence. On national TV people saw vivid details of corruption scandals exposed during no-confidence debates. People saw how some ministers and Chatchai conveniently brushed aside all the corruption charges as hearsay and rumours.

It was clear that the parliamentary system, particularly the Opposition, was a failure. It couldn't stop corruption, it couldn't hold the Chatchai administration accountable, and it offered no alternative to the unbearable political status quo.

At first the two leading opposition parties, Solidarity and Prachakon Thai, called for Chatchai's resignation and/or dissolution of the House. But when Chatchai formally resigned in early December and was reappointed the next day, these two parties quickly accepted his offer to join his new coalition. Solidarity had to sheepishly cancel a mass rally at Sanam Luang at which it had planned to "expose" major corruption scandals in the previous Chatchai administration as well as to attack Chatchai personally for trying to create a "parliamentary dictatorship".

The about-face of Solidarity, which had the second largest number of House seats next to Chatchai's Chat Thai, epitomized the grave weaknesses in the political party system in Thailand. When political parties follow no clearcut principles and policies, their MPs are nothing more than political mercenaries, whose support can be bought. This was evident at times of voting on key legislation or showing support for censured ministers. Within each major government party, senior MPs formed factions to bargain for Cabinet posts and retained the allegiance of their supporters with bribes and other political spoils.

This, coupled with massive spending on vote-buying forced senior government politicians to acquire as much wealth and as quickly as possible to ensure their re-election and maintain political clout. In the 1988 general election, many elected politicians admitted in private that they spent at least Bt3 million buying votes. And judging from local elections last year, in which House Speaker Pancha

Kesonthong reported that one candidate in a municipal election in his home province of Pethcabun spent over Bt10 milion, many MPs agreed that the spending on buying votes in the next general election would at least double that in 1988.

The debut of the New Aspiration Party led by ex-army chief Gen Chawalit Yongchaiyut in the next election will further increase the competitiveness, forcing incumbents to buy more votes at a higher price to ensure their re-election. Bt10 million per House seat was the widely accepted estimate on the campaign spending that major parties must be prepared to pay.

Chat Thai, which had 96 MPs in the 357-member House, looked set to win at least 100 seats in the next election. It had everything needed to come first in the next election. It controlled the Interior Ministry which organizes and polices national elections. It also seemed to have plenty of money for the campaign. (Eight of the 22 former ministers on the Sitthi Committee's list were from Chat Thai.)

Undoubtedly, most of the same old faces would be re-elected in the next election by the same old-fashioned methods of vote-buying and other fraud. The vicious cycle in which wealthy politicians used money to come to power and abused power to make more money to retain power, would continue to spin in futility.

Saturday's coup may have decisively broken the vicious cycle and, for the first time in recent memory, forced wealthy politicians to explain how they had acquired so much wealth. This will be a deterrent to all others from trying to cash in on national politics when Thailand returns to a rule of constitutional monarchy.

The coup gave Thailand a golden opportunity to demolish the old rotting parliamentary system and rebuild a new one in which new political mechanisms can be installed to guard against vote-buying and election fraud and deter corruption in high places. The CCC has proved to be inadequate. More power should be given to the CCC so that it will be able to tackle major corruption caes, regardless of whether the suspects are senior bureaucrats, government politicians or military leaders.

When Thailand is truly ruled by the people through freely elected representatives, there wil be no need for the military to step in for any reason. For the people can exercise their political control either through the ballot box, the free press or the variouis anti- corruption mechanisms.

If they sincerely help the country to usher in a new parliamentary system in which politicians are elected on their merit and government leaders truly serve the national interest, the military leadlers will be exonerated from their takeover of government power. In this case the end will justify the means.

Philosophizing on the morality of the coup is now irrelevant, especially when those raising the moral objections have done so little to stop unscrupulous politicians from abusing their power and deceiving people with a democratic facade.

Iraqi Acceptance of UN Resolutions Welcomed

BK0103144391 Bangkok Domestic Service in Thai 1200 GMT 1 Mar 91

[Text] Foreign Ministry Spokesman Sakthip Krairoek said this afternoon that Thailand welcomed Iraq's decision to accept resolution No. 660 and all other UN Security Council resolutions on the Gulf crisis and its ceasefire announcement on 28 February. Thailand has always adopted a clear stand opposing the aggression and occupation of Kuwait and has announced its firm support of all UN Security Council resolutions concerning the Gulf problem. As a result, Thailand would like to congratulate the allied forces' liberation of Kuwait and the complete restoration of independence and sovereignty to Kuwait and its people. Thailand is ready to consider joining the UN peacekeeping force in the Persian Gulf if requested by the UN secretary general. The UN Security Council is expected to consider the establishment of the peacekeeping force soon.

The Foreign Ministry spokesman added further that Permanent Secretary for Foreign Affairs M.R. Kasemsamoson Kasemsi, acting in place of a foreign minister, had sent a message to the Kuwaiti foreign minister to offer congratulations on the complete restoration of independence and sovereignty to Kuwait. The permanent secretary for foreign affairs also hoped that the existing good relations between Thailand and Kuwait will continue and will be further strengthened for the mutual benefits of the two countries in the future.

Regarding the problem of Thai workers in the Middle East, the Foreign Ministry spokesman said that when the Gulf war ends, the Thai workers there will begin to work again. Some companies like (Bely) Company in Saudi Arabia have informed the Thai Embassy to tell the 52 Thai workers who are on home leave to return to work in Saudi Arabia.

Sunthon Extends Greetings to Kuwaiti Leader

BK0103120491 Bangkok Voice of Free Asia in Thai 1030 GMT 01 Mar 91

[Text] General Sunthon Khongsomphong, head of the National Peacekeeping Council, has sent a message of greetings to Shaykh Sa'ad al-'Abdallah al-Salim al-Sabah, crown prince and prime minister of the State of Kuwait, as the following:

I am pleased to learn that the State of Kuwait has been liberated and is under the control of the government and the people of Kuwait. On behalf of the national administration of Thailand, I would like to extend my congratulations to the government and the people of Kuwait and would like to express my best wishes for success in the reconstruction of Kuwait. The close relations between Thailand and Kuwait will continue and be further strengthened for the mutual benefits of the peoples and the two countries.

Ministry Officials on Kuwaiti Reconstruction

BK0103104191 Hong Kong AFP in English 0813 GMT 1 Mar 91

[By Michael Shari]

[Text] Bangkok, March 1 (AFP)—The reconstruction of Kuwait is expected to double Thailand's former workforce in that country and boost demand for Thai food and garment exports, officials said Friday.

The exile government of Kuwait has already informed the Interior Ministry's Labor Department of its need for another 8,000 Thai workers above the 8,000 who were employed in the Emirate before its invasion by Iraq last August, a Labor Department official said.

Saudi Arabia has already made an official request to the Thai Government for the return of Thais who formed half its foreign work force before the war, Foreign Ministry officials said.

Commerce Ministry officials said they were already counting the dollars to be earned from an anticipated resurgence in orders for a wide variety of Thai exports, mainly canned food and garments.

An executive of a Thai zinc-smelting concern, Padaeng Industry Co Ltd, said he was anticipating increased sales of zinc ingots, used to galvanize sheet roofing and large pipe sections, to meet construction orders.

Thai exports to Kuwait last year were valued at 2.875 billion baht (115 million dollars), just 0.6 per cent of the total, as compared to imports worth 331.6 million baht (13.3 million dollars), a Commerce Ministry official said.

Last year Kuwait imported mostly rice, canned food, garments and shoes from Thailand, which in turn imported mostly oil products from Kuwait.

The already small volume of trade was reduced even further by the international embargo imposed on Iraq and Kuwait in August.

The Emirate is now rapidly emerging as a main export target for Thailand, which was hard hit by spiralling oil prices and losses of labor remittances, a key foreign exchange earner for this developing country, with the outbreak of the Gulf crisis.

Iraq, although it accounted for only 0.1 per cent of Thai exports and employed only 6,000 Thai workers last year, is also high on the trade and labor hit-list, officials said.

"We have no enemies when it comes to foreign trade," one Commerce Ministry official said.

Thailand enjoyed double-digit economic growth until an overheating economy and high oil prices forced a drastic revision in its gross domestic product (GDP) expansion rate to around five per cent late last year.

But it is expected to further revise the figure to reflect the unexpectedly short end to the gulf war, analysts said.

News of the ceasefire in the Gulf rallied the Securities Exchange of Thailand (SET) Friday, bringing the volatile SET index up more than 20 points in unofficial tallies shortly after closing. It was a jump of more than two per cent, on investor confidence that oil prices would soon come down.

But analysts warned that while lower oil prices would take pressure off production and transport costs for local manufacturers, it would take years for Kuwait to rebuild its shattered infrastructure to the point where trade would be able to flow smoothly.

"The ports are gone, there are probably mines and unexploded bombs everywhere—in the city and the refineries and the Gulf—and many of the managers with whom we used to do business are probably dead or gone," an economic analyst at Bangkok Bank said.

"Kuwait has money, but it will take some convincing on its part to become a steady client again," he said, adding: "In realistic terms we don't know how many years it will take."

A Bangkok-based executive of the Kuwaiti oil firm Q-wait [as received], however, said the cessation of hostilities in the Gulf was a good omen for its expansion plans following the setting up of filling stations in Thailand last year.

Chief Central Bank Economist on Economic Future

BK0103033191 Bangkok THE NATION in English 1 Mar 91 p B1

[By Atchara Phongwutthitham and Watchara Charunsantikun]

[Text] Thailand needs to form an interim government as soon as possible to avoid losing early export possibilities, which will come up in the Middle East following yesterday's ceasefire in the Gulf War.

A delay in establishing the government to create credibility abroad will result in a disadvantage for Thai export industries as other countries are now poised to seize the initial opportunities, said Siri Kancharoendi, chief economist of the Bank of Thailand.

As the war has ended, the Middle East will be concentrating on reconstruction, particularly in Kuwait and Iraq. Demand for reconstruction materials as well as basic necessities, such as food, will be unprecedented.

It is expected that the National Peacekeeping Council [NPKC] will name the prime minister of the interim government either today or tomorrow. As of yesterday, Prem Tinsulanon, former prime minister, was tipped as the most likely candidate to head the government.

Siri said the end of the Gulf war will certainly benefit the Thai economy and provide a good chance for the country to boost its exports. The food, manufactured goods and labour sectors will be the biggest gainers in the aftermath of the Gulf war.

As for tourism, a full recovery will take some time, Siri said, noting that the January tourism revenue had fallen 11 per cent from the same month a year ago due to the terrorist scare caused by the Gulf War.

From the macroeconomic point of view, he said, Thailand did prepare well to cushion the impact from the war. The handling of monetary and fiscal matters was effective, helping to avoid serious economic repercussions.

However, he warned that the government still faces tough problems. For example, it needs to move swiftly to tackle infrastructure problems which have hindered economic growth.

Since the allied forces launched their attack on Iraqi forces on Jan 17, the Thai economy apparently encountered a slowdown. Sales of automobiles and cement fell, for example.

"We also have to check capital goods imports to find out if there was any real slowdown in the investment sector," he said.

The central bank economist contended that a cut in retail oil prices to reflect world markets will provide a crucial impetus for the continued economic growth of Thailand. However, the Oil Fund, the mechanism which stabilizes retail prices, is still in the red, and it is not technically possible to reduce retail prices for the time being.

According to government regulations, a reduction is allowed when the fund registers a surplus of Bt [baht] 1.5 billion or more. The excise tax rates on oil products also have to be adjusted to allow lower oil prices, which are likely in the second half of this year.

Siri also said the Bank of Thailand is preparing the latest economic indicators for consideration by the NPKC. Its economic growth projection for 1991 is 7.5 per cent, while inflation is forecast to be lower than seven per cent due to the absence of pressure from oil price rises.

External factors such as a feared world economic recession are now less worrisome, provided that crude prices stay at current levels of US17-18 a barrel. Siri said the price trend is now downward since the Gulf states are expected to pump more oil to foot reconstruction expenditure.

The worldwide interest rate trend is also downward as the US has already cut its discount and prime rates from 6.5 percent to six per cent and 9.5 per cent to 8.75 per cent, respectively.

Chada Watthanasiritham, vice president of Siam Commercial Bank, saw brighter prospects for Thai exports, which are forecast to reach Bt670 billion this year compared with last year's Bt590 billion. The economic growth, she said, should be a comfortable seven per cent with low oil prices.

According to statistics, the Middle East purchases about seven percent of total Thai exports, and imports hundreds of thousands of Thai workers.

Chada also predicted a further decline in interest rates because of easier liquidity.

Phatchara Itsarasena, permanent secretary of the Commerce Ministry, said there will be a meeting with other ministries to discuss guidelines for the Thai economy in the wake of a ceasefire in the Gulf.

The guidelines will cover commerce, monetary and fiscal affairs, which are crucial to the economy. He said the Gulf war has had severe implications on the world economy. As for Thailand, the issue of crude oil prices is probably the most important since the country needs to import a large quantity.

However, oil prices seem to be relatively stable and there is downward pressure since Gulf producers are expected to pump more oil to pay for massive reconstruction. Low oil prices will help the Thai economy grow at a high rate.

Phatchara also said the government will have to devote more attention to tackle international trade disputes and prepare itself to tap export business in the Middle East. As for labour exports, he said Egypt will be a major competitor since it is closer to the Middle East. He urged agencies concerned to coordinate properly to send Thai workers to the Middle East.

Vietnam

AFP: Grassroot Problems Delay Party Congress

BK0103021491 Hong Kong AFP in English 1943 GMT 28 Feb 91

[Text] Hanoi, Feb 28 (AFP)—The Vietnamese Communist Party has postponed its five-yearly congress because regional meetings to lay the groundwork are not going smoothly, an informed Vietnamese source said Thursday.

Originally scheduled for May, the party's highest instance has now been postponed "at least to June," the source said.

Grassroots party cells are currently electing delegates and discussing "on an experimental basis" drafts of the five documents that are to be presented to the congress, he said.

"The discussions and the elections are sometimes going badly and the meetings are often plagued by the disaffection of party activists," the source said.

Other reliable sources have said that some cell meetings, especially in southern Vietnam, are taking place with only half or even a third of members present.

The official party daily NHAN DAN complained recently that the discussions, notably those on the draft documents, "are not being carried out in a careful, detailed manner."

Delegate elections "were not difficult," the daily said, but prompted power struggles and the creation of "internal cliques."

The five documents under discussion are the party's political report and papers on "building socialism," "economic

and social strategy," "the work of building the party" and "the amended party statute."

The documents are all aimed to preserve the leading role of the communist party in a renewed but still socialist Vietnam, in an era that has seen the crumbling of socialism elsewhere.

The reform of party statutes, according to informed Vietnamese sources, calls notably for greater separation between party and state, with the government alone having responsibility for running the country.

Leaders of Vietnam—the second-largest communist country in Asia after China—have repeatedly said that the only way to preserve the party's monopoly on power was to reform it profoundly.

They acknowledge that over the last few years, the party's image has become badly tarnished in the eyes of the Vietnamese people because of widening corruption and an inability to steer the country out of economic crisis.

Nguyen Van Linh Addresses Security Conference

BK0103064591 Hanoi Vietnamese Television Network in Vietnamese 1200 GMT 28 Feb 91

[Text] Recently, the Ministry of Interior held a conference in Hanoi to review the popular movement for maintaining national security in 1990 and to decide on the orientations for this movement in the year 1991-92.

Attending the conference were representatives of the people's committees and people's public security forces from various provinces, cities, and special zones; and the representatives of the Office of the Council of Ministers, the Fatherland Front, and the many mass organizations at the central level.

The results of the 1990 popular movement for maintaining national security were appraised in dozens of reports. These reports highlighted four issues, namely successfully motivating the masses to participate in crime suppression, cultivating the people's public security forces' humanity-oriented ethics and attitude, building an in-depth popular network for maintaining political security and public order and safety, and helping party committee echelons and the administration at various levels in providing leadership for maintaining national security.

A striking feature of last year's popular movement for maintaining national security is that it contributed to detecting thousands of law offenders, to fighting social vice and those violating the regulations on urban order, to providing the public security forces with tens of thousands of tip-offs on the activities of various professional criminals and hooligan gangs, and to motivating and persuading wanted law offenders to surrender. The popular movement for maintaining national security last year, however, was not maintained regularly and constantly. Therefore, it lacked a mass character and a sense of cautious vigilance.

While the conference was in session, Comrade General Secretary Nguyen Van Linh visited and addressed the conference. He hailed and affirmed the results of the popular movement for maintaining national security in the cause of preserving political security and ensuring public order and safety.

The comrade general secretary pointed out that in 1991 our party would hold its seventh congress and would start implementing its five-year 1991-95 plan in order to pave the way for deploying its political and economic strategy at a time when our country is still beset with numerous socioeconomic difficulties. Thus, the task of building the movement for maintaining national security is very important as it will contribute to stabilizing our country's socioeconomic situation.

The comrade general secretary said the 1990 popular movement for maintaining national security has entered the people's every-day life. It has demonstrated its militant, humanitarian, social, and scientific character and has developed both in width and in depth, thus creating material strength for the maintenance of national security.

The comrade general secretary also urged various sectors and echelons to step up their emulation movement to multiply progressive models in the movement for maintaining national security.

He emphatically stated: Satisfactorily carrying out the popular movement for maintaining national security will create a solid and strong infrastructure to serve the task of maintaining national security at present and in the long run.

Mongolian Envoy Bids Farewell to Nguyen Van Linh

BK0103084491 Hanoi VNA in English 0734 GMT 1 Mar 91

[Text] Hanoi VNA March 1—General Secretary of the Communist Party of Vietnam Central Committee Nguyen Van Linh received here on February 28 the out-going Mongolian ambassador to Vietnam, Hyamajabiyn Bassanjab.

At the reception, the Mongolian ambassador informed the Vietnamese leader of the political and socioeconomic situation in Mongolia, and the friendship and cooperation between the two countries.

General Secretary Nguyen Van Linh asked the Mongolian diplomat to convey his best wishes to the Central Committee of the Monglian People's Revolutionary Party (MPRP) and the Mongolian people on the occasion of the 20th congress and the 70th founding anniversary of the MPRP.

Do Muoi, Others at Get-Together of Veteran Cadres

BK2802141391 Hanoi Domestic Service in Vietnamese 1430 GMT 27 Feb 91

[Text] On the morning of 26 February at No. 37 Hung Vuong Street in Hanoi, the Ha Son Binh provincial party committee and people's committee held a get-together with cadres who had worked in Ha Son Binh Province

before the August 1945 Revolution and during the war of resistance against the French.

Attending the cordial get-together, among the 190 senior comrades, were Hoang Quoc Viet, Do Muoi, Van Tien Dung, and Nguyen Co Thach—those having engaged in clandestine activities in former Ha Dong during the pre-August revolution days.

Comrade Nguyen Dinh So, secretary of the Ha Son Binh provincial party committee, presented a report on the situation of the party organization and development of the province in 1990, as well as on its orientations and tasks for the years ahead. He also listened to the views contributed by the senior comrades.

Do Muoi Takes Part in Tree Planting in Hanoi

BK2802100291 Hanoi Domestic Service in Vietnamese 1430 GMT 27 Feb 91

[Text] In response to the tree planting movement on the occasion of the lunar new year of the goat, a the tree planting festival was jointly held by the Ministry of Foresty and the Ministry of Education and Training in Quang Ninh and, later, in Hanoi and Ha Bac under new contents and forms.

On the morning of 27 February, while opening the first session of the Council of Ministers in the new year, Chairman Do Muoi and many members of the council took part in planting trees at the presidential palace's garden.

Together with those trees planted in the past years by Uncle Ho, Uncle Ton, and Comrade Pham Van Dong, the newly planted trees are forming a green botanical garden that helps create a more beautiful and healthful ecological environment for the capital.

Initiating the tree planting day, Chairman Do Muoi urged various ministries and sectors to satisfactorily make arrangements so that trees can be planted right in their compounds, while helping promote the tree planting movement among the people with the aim of most satisfactorily practicing Uncle Ho's teaching that spring is the time for tree planting to make the country evergreen.

Malaria 'On The Rise'; Do Muoi Attends Meeting

BK0103040691 Hanoi International Service in English 1000 GMT 28 Feb 90

[Report on 21-22 Feb Hanoi Antimalaria Conference held by Ministry of Public Health]

[Summary] "The nationwide antimalaria program for 1991 and the 1991-95 period was launched in a conference held in Hanoi on 21-22 February by the Ministry of Public Health"

According to reports made at the conference, "the number of malaria deaths had been on the rise. In 1989, over 3,000 deaths of malaria were reported and malaria epidemics occurred in various localities in the first nine months of 1990."

It is reported that "50 percent of the population affected are mainly situated in the mountain region or remote construction sites and plantations, new economic zones," and that malaria parasites- carrying mosquitoes' [have] increasing resistance to antimalaria chemicals, a sharp increase in the prices of chemical materials is needed for malaria control, and inadequate attention and investment on the part of the administration at various levels are the main causes of the above alarming situation.

The purpose of the above program is to "control the spread of malaria and reduce the death rate among malaria patients during the period 1991-93 in order to stabilize the situation and bring down the rate of malaria patients in the national population during the period from 1994-95."

Addressing the conference, chairman of the Council of Ministers Do Muoi said: "Antimalaria work is an urgent task of socioeconomic development in the mountain region and as such, requires concentrated efforts of all concerned branches and administrative levels."

Symposium on Socioeconomic Development Concludes

BK2802155791 Hanoi VNA in English 1523 GMT 28 Feb 91

[Text] Hanoi VNA Feb. 28—The International Symposium on Socio-Economic Development Strategy for Vietnam up to the year 2000 was closed here this morning.

Foreign delegates highly valued Vietnam's achievements in its initial stage of renovation. Many papers presented at the symposium demonstrated keen concern and attention to Vietnam's socio-economic situation in its shift from a centrally planned economy to the market mechanism. They also dealt with solutions to the problems of market economy, economic structure, ownership regime, economic sectors, the role and instruments of the state management, the financial and monetary system, the orientation to exploit Vietnam's human and natural resources, the attraction and absorption of outside assistance, the policies and measures aimed at resolving imperative economic problems, especially measures to cope with the recurrence of inflation.

Foreign scientists present at the symposium also lodged a petition on measures to be taken by the Vietnamese Government in its handling of the country's present economic situation.

Addressing the conference, Phan Van Khai, chairman of the State Planning Commission, thanked foreign delegates for their frank and helpful contributions, saying that the Vietnamese Government would give them due consideration.

The closing session was attended, among others, by General Vo Nguyen Giap, vice chairman of the Council of Ministers, and Swedish Ambassadress to Vietnam Birgitta Johansson.

This afternoon, the foreign delegates were warmly received by Chairman of the Council of Ministers Do Muoi who highly valued their constructive ideas about the strategy for socio-economic development of Vietnam in the coming years.

German Social Democratic Party Members Arrive

BK2802152891 Hanoi VNA in English 1451 GMT 28 Feb 91

[Text] Hanoi VNA Feb 28—A delegation of the Social Democratic Party of Germany (SPD) headed by Dr. Herta Daublet-gmelin, deputy chairwoman of the party, deputy chairwoman of the Social Democratic Group in the Bundestag of the Federal Republic of Germany, has arrived here for a friendly visit to Vietnam.

A delegation of the Communist Party of Vietnam led by Dao Duy Tung, Politburo member and secretary of the Party Central Committee, this morning held talks with the SPD delegation.

Join Venture With UK in Oil Lubricant Reported

BK0103045891 Hanoi International Service in English 1000 GMT 28 Feb 90

[Text] Vietnam has become the 41st country with a joint venture for producing lubricant oil with the British company Castrol.

The production of lubricant oil has been possible following the conclusion of an agreement on joint venture between Saigon Petro and Castrol. The locally produced oil can be exported to Laos and Cambodia. The Castrol-Vietnam Limited established in Ho Chi Minh City has a designed capacity of 35,000 tons of lubricant oil a year.

An official of the Castrol branch in Singapore noted the vantage point of producing lubricant oil in Vietnam such as abundant labor and materials. A joint venture is expected to market its products nine months after the signing of the agreement.

Reportage on British Embassy Assistance

BK2802154691 Hanoi VNA in English 1523 GMT 28 Feb 91

[Text] Hanoi VNA Feb. 28—The British Embassy in Vietnam has financed the purchase of 27 sewing machines, one hemming machine, and one knitting machine for a vocational training centre affiliated to the Haiphong Women's Union.

The machines, worth $2,600, were handed over to the Haiphong Vocational Training Centre at a ceremony held on February 27 in the presence of Mrs. Tran Thi Ngoc, president of the Haiphong Women's Union, and a representative of the British Embassy in Vietnam.

The centre, located at a downtown street of the Haiphong Port City, is to provide family education for newly married couples and vocational training for young people, especially those of needy families and voluntary repatriates from refugee camps in Hong Kong.

Speaking at the ceremony, Mrs. Ngoc expressed deep thanks to the British Embassy for its valuable assistance to the Haiphong Women's Union and its vocational training centre.

Australia

Hawke: Outcome 'Victory for People Everywhere'

BK2802071291 Melbourne Overseas Service in English 0500 GMT 28 Feb 91

[Text] Australia's prime minister, Mr. Hawke, has expressed his country's reaction to the cease-fire and the removal of Iraqi troops from Kuwait.

[Begin Hawke recording] Australia will play its part in making sure that this victory is a victory for all people in the Middle East. But it is more than that. It is a victory for people everywhere who would live in peace. It reaffirms the fact that the world is indeed a world community, that the world community is united in its commitment to resist aggression, that the world will continue to resist aggression. And as the world community had in the United Nations, an effective instrument to confront the aggressor, if all else fails with the only argument he understands, that is the argument of force. [sentence as heard] [end recording]

Palestinians Report Loss of Billions in Kuwait

BK0103070891 Hong Kong AFP in English 1637 GMT 1 Mar 91

[Text] Sydney, March 1 (AFP)—Palestinians living in Kuwait lost about 11 billion dollars during the Iraqi occupation and U.S.-led push to free the emirate, a senior PLO official here said Friday.

'Ali al-Qazaq, Palestine Liberation Organisation Representative in Australia and the Pacific, described the 400,000 Palestinians in Kuwait as "one of the wealthiest communities in the world."

He denied that the PLO had supported Iraq's annexation of Kuwait, saying that there had been "deliberate attempts to distort the PLO's position on the Gulf crisis."

Palestinians stood to lose more than most from the crisis, Mr. al-Qazaq told a meeting of the Foreign Correspondents' Association here.

Those working in Kuwait had been "contributing to the National Palestinian Fund" but had suffered losses estimated at 11 billion dollars.

Economic sanctions imposed by the United Nations after Iraq invaded Kuwait in August had deprived Palestinians in the Israeli-occupied teritories of a market for farm produce and other goods, he said.

"Our farmers have lost their whole harvest for a year. There are about 120,000 day labourers in the occupied teritories who have been unable to work because of sanctions and an Israeli curfew. So there are 120,000 families there with no money."

The PLO leadership sided with Iraq against U.S.-led forces but had always favoured "a peaceful solution that preserved the national rights, sovereignty and security of Kuwait," he said.

The war was "a disaster," Mr. al-Qazaq said, but it had shown that "the concept of so-called secure borders is no longer applicable."

Security, he went on, "cannot be based on the denial of people's rights." There could be "no security for Israel in occupying Palestinian land and oppressing the people."

Mr. al-Qazaq, who was born in Haifa during the British mandate of Palestine in 1947, said the United States must recognise the Palestinians' right to "freedom, independence and a return to their homeland" if it was to avoid the charge of applying one standard to Israel and another to the Arab states.

Board Wants To Resume Grain Trade With Iraq

BK0103084291 Melbourne Overseas Service in English 0500 GMT 1 Mar 91

[Text] The state manager of the Australian Wheat Board in Western Australia, Mr. Bruce Watson, says it is critical that Australia resume its grain trade with Iraq. The board estimates that the market is worth $300 million a year with Australia's current rural crisis he says the trade links be reestablished.

Mr. Watson, who was held hostage in Iraq while working there with the Australian Wheat Board, said the damage inflicted on grain storage and handling facilities in Iraq because of the Gulf war will have to be assessed.

Hawke Remarks on Resuming Trade in Iraqi Market

BK2802101291 Hong Kong AFP in English 0955 GMT 28 Feb 91

[Text] Canberra Feb 28 (AFP)—Australia will move quickly to resume its lucrative wheat trade with Iraq as soon as sanctions are lifted, Prime Minister Bob Hawke said Thursday.

Mr. Hawke also made it clear Australia would fight to defend its Middle Eastern markets against subsidised American and European wheat.

Financially, wheatgrowers have been the biggest Australian losers in the war with Iraq, one of Australia's best clients.

Australian wheat sales to Iraq have been worth an average 306 million Australian dollars (240 million U.S.) annually over the past three years and Iraq, always regarded as a reliable payer, owes about 600 million dollars (470 million U.S.).

About 3.5 million dollars (2.7 million U.S.) of this has been frozen in a New York bank because of United Nations sanctions.

Mr. Hawke told a news conference the Australian wheat board would be "straight into it" as soon as sanctions were lifted.

A spokesman said Iraq has been one of its biggest clients and it would obviously be concerned to renew the association as soon as possible.

However Australia is increasingly concerned at the inroads being made by subsidised American wheat to the region.

Wheat Board Chairman Clinton Condon warned this week Australia could lose part of its share of the Middle East wheat trade to the United States following the Gulf war.

The fears were given extra urgency when deputy U.S. Trade Representative Julius Katz refused this week to rule out flooding the Middle East with subsidised U.S. wheat after the war.

New Zealand

Prime Minister Congratulates Bush on End of War

BK0103074891 Hong Kong AFP in English 0730 GMT 1 Mar 91

[Text] Wellington, March 1 (AFP)—New Zealand Prime Minister Jim Bolger and U.S. President George Bush spoke to each other by telephone Friday, ending Washington's seven-year ban on such contact. Mr. Bolger called Mr. Bush to congratulate him on the outcome of the Gulf war.

"I believe there was an important message to be conveyed to President George Bush and the simplest way was to pick up the phone and do it," Mr. Bolger told a press conference here.

The phone call was the first contact between a New Zealand prime minister and a U.S. President since the former labour government took office here in 1984.

Wellington's relations with Washington nosedived in 1985 when labour banned visits to New Zealand ports by nuclear ships, effectively ending the ANZUS military pact among Australia, New Zealand and the United States.

Mr. Bolger's National Party government, elected in October, has pledged to retain the anti-nuclear laws and simultaneously seek closer relations with the United States.

The prime minister said he congratulated the President on his personal courage during their "amicable" 10-minute chat.

"He was clearly quite delighted with the outcome of the conflict. (He) expressed the hope that the cease-fire would hold and that with the enhanced status of the United Nations following the conflict... We might be able to see a greater role being played by that organisation."

Mr. Bolger said the call was "significant, but don't overrate it," adding that it reflected "a little on the style of the New Zealand prime minister."

"I wouldn't like to read anything more into it than what it was, and that was a phone call between myself and the U.S. President," he said.

Papua New Guinea

Opposition Doubts Rebels To Join More Talks

BK0103075491 Melbourne Overseas Service in English 0500 GMT 1 Mar 91

[Text] The deputy opposition leader in Papua New Guinea has raised doubts about the likelihood of the Bougainville Revolutionary Army [BRA] taking part in futher peace talks with the Port Moresby Government. In a sharp critism of both sides, Sir Julius Chan, said that the government and the BRA were incapable of dealing honestly with each other.

He said the BRA must think twice about attending a third round of peace talks with the government and appeal for trust to be reestablished between the parties involved in the conflict. Referring to the Honiara Declaratiion, Sir Julius described as laughable, request by the prime minister, Mr. Rabbie Namaliu, to have the document reviewed. The Declaration emerged from the second round of peace talks.

Our Port Moresby office says, Sir Julius also scoffed at Mr. Namaliu's demands for the BRA commander Mr. Sam Kauona to withdraw death threat that was made to a government task force last week. The dead threat was an example of a [word indistinct] national trend of disrespect to authority which Sir Julius said was a result of the government's weakness and inconsistency.

Cabinet Decides To Resume Parliament on 7 May

BK0103075891 Melbourne Overseas Service in English 0500 GMT 1 Mar 91

[Text] The Papua New Guinea cabinet has decided that Parliament is to resume on 7 May with law and order measures a priority at the sitting. Prime Minister Mr. Rabbie Namaliu says, the decision has taken into account a judgment by the Supreme Court last month that Parliament must sit twice before 16 July or be in breached of the Constitution.

He added that the sitting on 7 May will enable the government to put before Parliament a comprehensive legislative program relating to law and order and constitutional changes. Mr. Namaliu said a full debate is also expected on the Bougainville situation.

Western Samoa

Government Rejects Observers for Elections

BK2702071691 Hong Kong AFP in English 0652 GMT 27 Feb 91

[Text] Apia, Feb 26 (AFP)—Western Samoan Prime Minister Tofilau Eti Alesana Tuesday rejected an opposition call for foreign observers to monitor the April 5 general elections, the first to be held under universal suffrage.

Since independence in 1962 Western Samoa had allowed only family heads known as matai the right to vote, and the change last week prompted opposition leader Tupua Tamasese Efi to ask visiting United States congressmen to send election observers.

In a statement in Samoa Tuesday Tofilau said he had discussed the issue with Tupua Tamasese and said there was no foundation for Western Samoa to have observers.

"Samoa is now politically experienced, being the first independent South Pacific nation, and it is a stable country," he said.

He said any irregularities would be due to "human failings" and that breaches of the laws would be dealt with by the courts. The prime minister said he had every confidence in the ability of officials to conduct the election.

Last week U.S. Embassy Charges d'Affaires William Francisco said any American observers would need the prior approval of the Samoan Government before they could come.